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Friday, February 28, 1975
Phalguna 9, 1896 (Saka)

LOK SABHA DEBATES

Thirteenth Session
(Fifth Lok Sabha)

सत्यमेव जयते

LOK SABHA SECRETARIAT

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LOK SABHA

Friday, February 28, 1975/Phalguna 9, 1896 (Saka)

The Lok Sabha met at Eleven of the Clock.

[MR. SPEAKER *in the Chair*]

ORAL ANSWERS TO QUESTIONS

Policy of LIC to promote Small-scale Industry

*165 SHRI P R SHENOY Will the Minister of FINANCE be pleased to state

(a) whether the Life Insurance Corporation has any policy to promote small scale Industry in the country,

(b) if so, the salient features thereof, and

(c) the total investment made by the Life Insurance Corporation in the small scale sector so far, with salient features thereof?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRIMATI SUSHILA ROHATGI) (a) to (c) A statement is laid on the Table of the House

Statement

(a) to (c) LIC's investments in small-scale industry are not made directly but by way of subscription to shares and bonds issued by the State Financial Corporations and grant of loans to Cooperative Societies and Public Limited Companies for setting up Industrial estates.

LIC's total investments as on 31-3-74 and for the period from 1-4-1974 to 31 12-1974 are as under —

(Rs in Lakhs)

	As at 31-3-1974	During the period from 1-4-1974 to 31- 2-1974.
Bonds of State Financial Corporations	30,0.778	429 05
Shares of State Financial Corporations	1,69 69	0 42
Loans to Industrial Estates	2,66, 06	170 35
	34,43 53	599·82

SHRI P R SHENOY According to the statement, the Life Insurance Corporation is not giving any direct loans to the small-scale industries Though it is the biggest financial institution in the country and draws maximum premia from the rural areas, its activities are restricted only to the urban areas May I know whether there has been any representation to the Government and the LIC to see that the Corporation gives direct loans to and makes refinancing arrangements for small scale industries?

SHRIMATI SUSHILA ROHATGI: The Insurance Act itself precludes the LIC from making investments in the proprietary concerns Most of these small scale industries usually fall within the field of proprietary concerns or partnership firms As such, LIC has not entered into direct investments in the small scale industries, but it does make indirect investments even in small scale industries

SHRI P R SHENOY The small-scale industries come in the priority sector and deserve all encouragement In view of that, may I know whether the Government will amend the necessary provisions of law to enable the LIC to give loans to small-scale industries?

Secondly, under the existing arrangements, the LIC is giving loans to Co-operative societies and Public Limited Companies for setting up industrial estates. But the loans so far given to the industrial estates is only Rs. 170 lakhs from 1-4-1974 to 31-12-1974. May I know whether the Government will amend the necessary provisions of law to enable the LIC to give loans to the small-scale industries? May I also know the names of the industrial estates to which loans are already given by the LIC?

SHRIMATI SUSHILA ROHATGI: The nationalised banks are treating the small-scale industries in the priority sector and helping them. The small-scale industries are not starved of finances through the nationalised banks. Also, here we have to remember that the very concept and the structure of the LIC is slightly different. It does not depend so much upon the coverage of the farmers and the small-scale industries as such; it depends for its operation upon the existence of agencies and institutions in the various States, because they alone can absorb the amount which the LIC extends to them. Hence, I think, a change of the Act just now is not necessary. Even then, lately the LIC has appointed a committee under the chairmanship of the Governor of the Reserve Bank which has suggested that the entire investment policy has to be reviewed. In the light of that, the investment pattern has been redefined. The third point is about the industrial estates. We do have some industrial estates. I agree with the hon. Member that there are not many industrial estates which really absorb or utilize the investment from the LIC. But that depends to a very large extent upon the infra-structure and the absorbing capacity of the various States.

श्री हुकम चन्द कछवाय : माननीय महोदय, माननीय मंत्री महोदया ने अभी बताया कि हमने जीवन बीमा निगम को यह आदेश दिये हैं कि वे छोटे उद्योगों को लोन दें, क्या सरकार ने यह भी कहा है कि इतने रुपये तक को लोन देना चाहिये ? कितना रुपया अब तक बांटा गया है ? क्या कच्चा माल न मिलने के कारण और पैसे के अभाव के कारण लघु उद्योगों के सामने संकट नहीं आता है और उनको घाटा नहीं होता है ? यदि हां, तो क्या लघु उद्योगों का बीमा करने का भी सरकार का कोई विचार है ?

श्रीमती सुशीला रोहतगी : आपने जैसा कहा वह सारी बातें तो इसमें आ गई हैं, शुरू में ही स्टेटमैंट दिया गया है । जैसा मैंने कहा है, उनको ज्यादातर डायरेक्टली न मिलकर इन्डायरेक्टली मिलता है । हर राज्य में स्टेट फाइनेन्स कार्पोरेशन है, स्माल स्केल इंडस्ट्रीज कार्पोरेशन है, या इंडस्ट्रियल एस्टेट्स है उनके माध्यम से छोटे छोटे लघु उद्योगों को रुपया मिलता है ।

श्री हुकम चन्द कछवाय : मेरे प्रश्न के दूसरे भाग का उत्तर नहीं मिला है । लघु उद्योगों को कच्चा माल न मिलने और पैसे के अभाव के कारण जो घाटा होता है, क्या उस के लिए उन का इनशोरेंस करने का कोई इरादा है ?

THE MINISTER OF FINANCE (SHRI C. SUBRAMANIAM): It is to be decided by the Industry Ministry, not by the Finance Ministry.

SHRI RAGHUNANDAN LAL BHATIA: Due to the credit squeeze policy of the nationalised banks, the small-scale industry has suffered tremendously. May I know from the hon. Minister if they would like to review their policy and to help more the financing institutions so that they may ultimately help the small-scale industry?

SHRIMATI SUSHILA ROHATGI. The entire credit squeeze policy as such was reviewed and all these factors were taken into consideration. It is only on the basis of such an investment or credit policy that it is defined. I think, the investment policy of the LIC is that not more than 10 per cent can go to the corporate sector.

श्री विभूति मिश्र : इस देश में 80 फीसदी लोग गांवों में रहते हैं, और गावों के लोग एल० आई० सी० के पास अपना रुपया जमा करते हैं । मंत्री महोदया सीधा और स्पष्ट उत्तर देने के बजाये जिगजैग वे में जवाब दे रही हैं । अगर गाव का कोई आदमी कोई इंडस्ट्री लगाना है, या इंडस्ट्री के लिए रा मैटीरियल चाहता है, तो क्या सरकार सीधे अपनी तरफ से गाव वालो को मदद देने के लिये तैयार है या नही ? मंत्री महोदया इस का हा या न में सीधा जवाब दे । वे कार्पोरेशन में जायें, या बैंक से रुपया मिलता है, यह सब कहने के बजाये, वह बतायें कि गावों की तरफ उन की रुचि है या नहीं और वह गाव वालो की मदद करना चाहती है या नही ।

श्रीमती सुशीला रोहतगी : इस प्रश्न का सीधा उत्तर मैं शुरू में दे चुकी हू । जिगजैग वे में चलने का हमारा कोई विचार नही है । मैं स्पष्ट करना चाहती हूं कि एल० आई० सी० से कोई डायरेक्ट लोन गाव वालों के लिए नही मिलता है । परन्तु एल० आई० सी० का जो इनवेस्टमेंट पैटर्न है, उस के अनुसार उस का लगभग 75 प्रतिशत पैसा सोशल ओरियंटिड कार्यों के लिए जाता है, जैसे पानी, बिजली आदि के लिए लोन दिये जाते है । यह सही है कि ज्यादातर जोखिम गावों में रहती है । हम भी उस के प्रतिनिधि है । यह ठीक है कि गावों में ज्यादा पैसा जाना चाहिए, मगर एल० आई० सी० अपनी इनवेस्टमेंट की पालिसी के अनुसार ही काम करता है ।

PROF. MADHU DANDAVATE: The hon Minister in her written statement has said:

> "LIC's investments in small scale industry are not made directly but by way of subscription to shares and bonds issued by the State Financial Corporations and grant of loans to Cooperative Societies and Public Limited Companies

I would like to know, in this context whether there would be facilities of loans granted to fishermen who try to set up cooperatives specially in the backward coastal areas and whether adequate loans will be made available to them.

SHRIMATI SUSHILA ROHATGI: It could be examined.

श्री सुखदेव प्रसाद वर्मा : अध्यक्ष महोदय, आज ग्रामीण क्षेत्रों में बेकारी की समस्या और अन्य समस्याओं के कारण वहां छोटे उद्योग खड़े करने की आवश्यकता है । लेकिन छोटे उद्योगों को ऋण देने की सरकार की जो प्रणाली है, वह इतनी जटिल है कि पैसा ग्रामीण स्तर तक नही पहुच पाता है । मैं मंत्री महोदय से यह स्पष्ट जानना चाहता हूं कि इस स्थिति को ध्यान में रखते हुए क्या सरकार कोई ऐसी प्रणाली जारी करने का विचार रखती है, जिस से ग्रामीण क्षेत्रों में छोटे उद्योगों को बढ़ावा मिले, और ग्रामीण क्षेत्रों के निवासी अपने यहा उद्योगों को लगा कर बेकारी की समस्या और अन्य स्थानीय समस्याओं का समाधान कर सकें, और इस के साथ साथ कच्चा माल भी उन्हे आसानी से मिले , यदि हा, तो सरकार इस बारे में क्या पग उठाने जा रही है ?

SHRI C. SUBRAMANIAM: The LIC's functions are completely different from the various developments that have got to take place in rural areas and small-scale industry, etc. The LIC has certain funds to invest. It has got a dual role. They should go to the priority sector and, at the same time, they should also earn sufficient profits so that the policy-holders may get benefit. Therefore, the LIC cannot take the trouble of having rural industrialisation programmes and development of employment programmes and so on. That will have to be done by the proper agencies like the State Government. As a matter of fact, the State Governments will have to take the responsibility. That is why, in the answer, my colleague has pointed out that the State Financial Corporations

are given assistance by the LIC so that these State Financial Corporations may give assistance to various small-scale industries, rural industries, etc. LIC subscribes for the shares issued by the State Financial Corporations and also give loans for setting up industrial estates. If the LIC is asked to take the role of developing various programmes in the States, I am afraid, their function will get distorted and it may not be possible for them to function as LIC. They have a limited scope where they have got some moneys to invest, they invest in safe investments rather than take risks.

SARDAR SWARAN SINGH SOKHI: In the statement the Minister has given figures of LIC's total investments as on 31-3-1974 and for the period from 1-4-1974 to 31-12-1974. The figure in respect of Shares of State Financial Corporations as on 31-3-1974 was Rs. 169.69 lakhs, and it has fallen to Rs. 0.42 lakh during the period 1-4-74 to 31-12-1974. I want to know from the hon. Minister the reason why it has fallen.

SHRIMATI SUSHILA ROHATGI: At the very beginning, the hon. Member had said that he would be asking a pertinent question. I am happy about it. But the answer to this should come from the State Governments concerned.

SHRI B. S. BHAURA: LIC is giving loans to State Financial Corporations. In some of the States there are some corporations like Scheduled Castes Financial Corporations, but they cannot help the poor people due to shortage of funds. I would like to know whether Government will take some steps to instruct the LIC to help the Scheduled Caste people through these Financial Corporations. I want to know whether Government will instruct the LIC to set apart some of the amounts for this purpose out of the loans given to other Corporations.

SHRIMATI SUSHILA ROHATGI: I do not know how this can be connected to this Question. LIC does not go by castes; it goes according to the investment pattern and the quantum involved—according to the safety and security of the returns.

SHRI J. MATHA GOWDER: Could you give State-wise break-up of the figures, more particularly for Tamil Nadu?

MR. SPEAKER: It is just a suggestion for action.

Export of Unsold Chemicals by S.T.C.

*166. SHRI INDRAJIT GUPTA:

SHRI DHAMANKAR:

Will the Minister of COMMERCE be pleased to state:

(a) whether the State Trading Corporation is contemplating exports of unsold chemicals imported by it;

(b) if so, which are the important items among them; and

(c) the loss expected to be incurred by such a step?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI VISHWANATH PRATAP SINGH). (a) No, Sir.

(b) and (c). Do not arise.

SHRI INDRAJIT GUPTA: I presume that the reply 'No, Sir.' refers to the question of export of unsold chemicals. But I would like to know whether it is a fact or not that huge stocks worth about Rs. 15 crores or so of imported chemicals have accumulated with the STC because the dealers or the industrial concerns which had been given the release orders or permits have refused to lift this material after they were imported and if that is so, although he says that there is no contemplation to re-export them, I would like to know what the STC propose to do with these huge stocks and how they propose to dispose of them and if so, at what loss.

SHRI VISHWANATH PRATAP SINGH: About chemicals there has been a little accumulation of stocks, but this was mainly due to credit restrictions, partial utilisation of industrial capacities and cheaper indigenous material available. The accumulated stocks in chemicals as on 31-1-1975 are worth about Rs. 11 62 crores. The steps that are being taken to dispose of those stocks are

(1) STC is making facilities of a Bill Marketing Scheme, a scheme in wh ch against bills in which the time of payment is mutually agreed, but not more than 90 days, stocks may oe released.

(2) Reallocation of the allocated stocks is being made That is against parties who are not lifting it, we are trying to reallocate it to the actual users who would utilise it.

(3) It is also being considered that some stocks may be sold at a discount.

SHRI INDRAJIT GUPTA I would like to know whether there is any truth in the reported allegation made by these holders of release orders to the effect that the prices charged by the STC for these chemicals are considerably higher than the rates prevailing in the market and, therefore, they are not prepared to lift them. Or is it that some of these people at least to whom release orders have been given —I do not know whether they are dealers or industrial concerns themselves on whose insistence and request this material was imported—are now refusing to lift it and if so, will these firms be black-listed?

PROF. MADHU DANDAVATE State secrets cannot be divulged.

SHRI VISHWANATH PRATAP SINGH: International market prices may fluctuate and it happens that a purchase is made in the international market and thereafter, the market may go down and there may be a discrepancy between the price of purchase and the price sometime later . .

SHRI INDRAJIT GUPTA: I wanted to know whether there is any such discrepancy.

SHRI VISHWANATH PRATAP SINGH: I have already mentioned that international prices have gone down recently after the purchase. That is not in our control.

SHRI INDRAJIT GUPTA· That means that stocks can be disposed of only at a big loss to the STC

SHRI VISHWANATH PRATAP SINGH Unless the stocks are disposed of, the losses cannot be worked out.

SHRI INDRAJIT GUPTA What about blacklisting?

SHRI VISHWANATH PRATAP SINGH. That will be done according to the law.

SHRI DHAMANKAR The hon. Minister has just now said in his reply that the chemicals are not being lifted for two reasons (1) credit squeeze and (2) availability of cheap indigenous chemicals. I understand that import licences are given only if the material is not indigenously available. If so, how is it that these chemicals are imported when already such chemicals are being manufactured in the country and are available at cheaper rates?

Secondly, I want to know whether it is the industrial concerns and units or whether it is the dealers who import those and sell them I would like to know both those things from the hon. Minister.

SHRI VISHWANATH PRATAP SINGH: It is a question of clubbing of time, today it may be, we may not have the capacity to produce certain material but it may be possible some time later that we could produce the same There are certain materials which we could produce now which we could not produce sometime back Regarding his second question, if he clarifies it I will answer.

SHRI DHAMANKAR: Imports have been done by the dealers. Are the imports done by the industrial units, actual consumers or dealers, who are importing for sale in the market?

SHRI VISHWANATH PRATAP SINGH: These are STC imports, so there is no such question.

SHRI DHAMANKAR. It is channelised through the STC. Licences are issued to industrial units and dealers also.

MR SPEAKER The original question was about accumulated stocks and the question was asked whether they are going to be sent back, whether they are going to be reexported and he replied to that and after that all these questions are coming up which are completely going out of the scope of the original question. You should put it in a relevant form.

SHRI DHAMANKAR. I wanted to know whether these chemicals which are imported, which are not being lifted, are imported by the industrial units or importers. Although it is channelised through the STC these industrial units and dealers are also there.

SHRI INDRAJIT GUPTA Who are the holders of these release orders?

SHRI VISHWANATH PRATAP SINGH Actual users and also firms are allowed to import through STC.

SHRI SHYAMNANDAN MISHRA: How long have these stocks been lying with STC? What are the factors and considerations which determine quantum of import?

SHRI VISHWANATH PRATAP SINGH: A Group was set up by the Petroleum and Chemical Ministry to go into the problem as to how much stocks could be held and this Group has concluded that about 25 per cent of the total turn over could be held. STC has a turnover of about Rs. 775 crores and this comes to about Rs. 37.22 crores and this works out to only about 5 per cent.

SHRI SHYAMNANDAN MISHRA: How long have these stocks been lying? He has not answered.

MR. SPEAKER: Please resume your seat. I have to make an announcement.

WELCOME TO SIR JOHN KERR GOVERNOR-GENERAL OF AUSTRALIA

MR. SPEAKER: Hon. Members, I have to make an announcement

On my own behalf and on behalf of the Hon'ble Members of the House, I have great pleasure in welcoming His Excellency the Honourable Sir John Kerr, the Governor General of Australia who is on a visit to India as our honoured guest He is now seated in the Special Box. We wish him a happy and a fruitful stay in our country Through him we convey our greetings and best wishes to the Parliament, Government and the people of Australia.

SHRI S. M. BANERJEE (Kanpur): May I request you to kindly request the Leader of the Delegation to send Sir Don Bradman? We would like to see him once.

ORAL ANSWERS TO QUESTIONS— *Contd.*

MR. SPEAKER: What was your question, Mr. Mishra?

SHRI SHYAMNANDAN MISHRA: Sir, I asked, how long have these stocks been lying with the STC.

SHRI VISHWANATH PRATAP SINGH: Since these imports came about on a particular date, I could not tell you.

Proposal not to Export Coal

*167. SHRI ANADI CHARAN DAS:
SHRI P GANGADEB:

Will the Minister of COMMERCE be pleased to state:

(a) whether coal will not be exported this year,

(b) if so, whether his Ministry has sent any proposal to the Department of Coal for making an assessment in this regard, and

(c) whether the Minerals and Metals Trading Corporation is in close touch with the Department of Coal on this issue?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI VISHWANATH PRATAP SINGH): (a) to (c) Non coking coal is being exported in limited quantities to neighbouring countries. The question of exporting it to other countries is under consideration in consultation with the Department of Coal.

श्री अनादी चरण दास: अध्यक्ष महोदय, मेरे प्रश्न का उत्तर ठीक से नहीं आया। मैं जानना चाहता हूं कि जो हम अपने नेबरिंग कन्ट्रीज को कायला भेज रहे है वह इस साल कितनी क्वान्टिटी अपने उत्पादन में से भेजेंगे?

SHRI VISHWANATH PRATAP SINGH: Sir, the neighbouring countries to whom we are sending coal are to Bangladesh and Ceylon. 0.65 million tonnes of coal we are sending. During 1975-76 0.5 million tonnes of coal will be supplied to Bangladesh. There is another contract likely to be concluded with Burmah for 1.5 million tonnes and a small quantity of 10 to 15 thousand tonnes of coal may be sold to Ceylon too.

श्री अनादी चरण दास: हमारे देश के अन्दर जो उद्योग चल रहे हैं जैसे रेलवे स्टील प्लांट आदि जब उन को यह शिकायत है कि उन को आप कोल सप्लाई नहीं कर पाते हैं तब क्या आवश्यकता है कि हम बाहर भेजें?

SHRI VISHWANATH PRATAP SINGH: Sir, with the rationalisation and improvements that have been brought about in the production of coal after nationalisation we hope that the production will increase which will not only meet the domestic demands of the country but we will be in a position to export not only to neighbouring countries but also a world wide basis.

SHRI P GANGADEB: In view of the fact that the demand for coal both for domestic consumption as well as for external consumption will go up substantially as a result of the international oil crisis I would like to know from the hon. Minister whether such exports of coal would hamper the non coking coal supply to our indigenous industries? If so what steps Government propose to take for meeting the requirements and (b) I am not clear from the answers already given, if the exports take place what would be in the international sphere the likely total foreign exchange earnings.

SHRI VISHWANATH PRATAP SINGH: The reserve stocks of non-coking coal are 95,000 tonnes or so out of 1,20,000 million tonnes. So we expect no shortage in non coking coal. We expect with the fullest expansion of our programmes to export from one to three million tonnes of non coking coal. As for the amount of foreign exchange earnings, in future, it all depends upon the price factor.

SHRI K. S. CHAVDA: Due to shortage of coal more than one thousand trains are suspended in our country. And Government is exporting this coal to the neighbouring countries. Will the Government assure the House that under no circumstances coal will be exported until all the suspended trains are restored in our country?

SHRI S. M. BANERJEE: Until all the trains are exported!

SHRI VISHWANATH PRATAP SINGH I think Mr Banerjee has answered this question

MR. SPEAKER You will please reply this question This concerns more with the Railway Minister than the Minister of Commerce

SHRI VISHWANATH PRATAP SINGH As for non-coking coal, the present quantum of coal that we are making is not going to affect the domestic needs Future exports will be made only after taking into consideration our domestic demands

SHRIMATI MAYA RAY In view of the fact that the hon Minister has just told that we have large reserves of coal would he kindly explain as to why it does not reach the destination in time and thus results in retarding steel production considerably?

SHRI VISHWANATH PRATAP SINGH I suppose I was answering questions on export and not on transport.

SHRI SOMNATH CHATTERJEE May I know from the hon Minister the exports that are made are on the basis of barter system or on the basis of cash payment?

SHRI VISHWANATH PRATAP SINGH We are not having barter system of late.

श्री राजेश्वर शास्त्री जो हम अपने पड़ोसी देशों को कोयला भेजने की योजना बना रहे हैं तो आप ने दाम के बारे में भी तय किया है कि क्या कीमत लेंगे ? क्या वह कीमत हिन्दुस्तान की तुलना में कम होगी या ज्यादा होगी, या बराबर होगी ?

SHRI VISHWANATH PRATAP SINGH They are comparable to international prices.

SHRI PRIYA RANJAN DAS MUNSI May I know from the hon Minister whether it is a fact that immediately after the liberation of Bangladesh there was great demand of coal both in their industrial as well as transport sector? Also whether it is a fact that any specific agreement with Bangladesh Government has been signed or reached with a view to supply coal on reasonable prices in the interests of the people of Bangladesh based on the friendly relations of India and Bangladesh?

SHRI VISHWANATH PRATAP SINGH Till now we were supplying to Bangladesh coal at domestic prices but now we will be supplying on comparable international prices

SHRIMATI T LAKSHMIKANTHAMMA Sir, in my constituency, the Singareni collieries are there which are the last producers of coal There is a vast reserve of coal in that area Sir, I would like to ask the hon Minister, since there is demand both abroad and in India, will there be coordination between his department and other departments for the exploitation of these resources to the fullest extent?

SHRI VISHWANATH PRATAP SINGH This coordination is there

अत्यावश्यक वस्तुओं की कीमतें

168 श्री अटल बिहारी वाजपेयी :

श्री जगन्नाथ राव जोशी :

क्या वित्त मंत्री यह बताने की कृपा करेंगे कि :

(क) गत तीन वर्षों में से प्रत्येक वर्ष के जनवरी मास के अन्त में तथा गत वर्ष के प्रत्येक माह के दौरान अत्यावश्यक उपभोक्ता वस्तुओं के प्रचलित खुदरा मूल्य क्या थे ,

(ख) हर बार कीमतों में कितने प्रतिशत वृद्धि अथवा कमी हुई ; और

(ग) गत तीन वर्षों के दौरान कीमतों को कम करने की दिशा में कौनसे विशेष प्रयास किये गये तथा हर बार क्या परिणाम निकले ?

THE MINISTER OF FINANCE (SHRI C. SUBRAMANIAM). (a) to (c). A statement is laid on the Table of the House.

Statement

It is not possible to give information regarding retail prices of individual commodities as these vary from place to place However, the all India Industrial Workers Consumer Price Index (1960—100), which is prepared in the Ministry of Labour rose from 184 in January 1971 to 194 in January 1972, and further to 210 in January 1973 and 264 in January 1974 The increases work out to 5 4 per cent 8 2 per cent and 25 7 per cent respectively The monthwise percentage changes in the Index since January 1974 have been as follows

1974		
	February	1.0
	March	3 0
	April	2.0
	May	3 0
	June	2.4
	July	-3 3
	August	3 2
	September	4 0
	October	0 3
	November	1.2
	December	- 1.5

The measures taken to prevent prices from rising unduly have been outlined in such annual documents as the 'Economic Survey' of the Ministry of Finance, and the Reserve Bank's report on Currency and Finance In so far as the efficacy of the measures taken is concerned, it has to be pointed out that there were certain special factors operating during the last 2-3 years which prevented their full impact from being felt. The steps taken to control the expansion of credit and check hoarding and profiteering, combined with the demand management measures of July 1974, appear to have brought about a degree of normalcy, since the seasonal decline in prices has reasserted itself after a lapse of two years.

श्री उपेन्द्र भाई जोशी : यह जो सभा पटल पर वक्तव्य रखा है यह बड़ा नमूनेदार है । क्योंकि इस में जो जानकारी मैंने पूछी थी कि यह कीमतें कैसे बढ़ती गई यह तो जानकारी दी है किन्तु कौन से कारगर उपाय अपनाए गए इस के लिए हवाला दिया है कि अनुचित रूप से कीमतों को बढ़ाने से रोकने के लिए जो उपाय किये गये हैं उन की रूपरेखा वित्त मंत्रालय की 'आर्थिक समीक्षा" और मुद्रा और वित्त के संबंध में रिजर्व बैंक की रिपोर्ट जैसे वार्षिक ग्रन्थों में बतायी गई है ।

सवाल हम यहां पूछ रहे हैं कि कौन से कारगर उपाय अपनाए गए और हवाला दे रहे हैं वहां है यहां है । इस में अच्छा वह हवाला दे देते किसी लाइब्रेरी का कि वहां से किताबें ढूंढ कर देख लीजिएगा । यानी उन से पूछते हैं तो हम रिपोर्ट का हवाला दे देते हैं और यह दो तीन दिन पहले आप तो रिपोर्ट भी पढ़ लेंगे लेकिन यह मिलना है साढ़े दस बजे के बाद और हवाला देते हैं रिजर्व बैंक की रिपोर्ट या वित्त समीक्षा का । इस में समय थोड़ा है उस में हम रिजर्व बैंक की रिपोर्ट पढ़े या वित्त समीक्षा पढ़े ? तो यह जो इतना लम्बा चौड़ा दिया है इस के अंदर दो तीन चार उपाय बता देते तो बात समझ में आ जाती । मैं पूछना चाहता हूं कि इस में जो आपने दिया है 5 4 प्रतिशत फिर 8 2 प्रतिशत, उसके आगे एकदम 25 7 प्रतिशत यह तो अनुचित रूप से कीमतें बढ़ गई हैं। रिजर्व बैंक की रिपोर्ट में जो कारगर उपाय बताए गए हैं उस को अपनाने के बाद भी यह जो अनुचित वृद्धि हुई है 25 7 प्रतिशत यह भी अलग अलग कन्ज्यूमर्स प्राइसेज के लिए नहीं है यह तो आपने सम टोटल बताया है । गोल मोल कर के क्योंकि इसी पार्लियामेंट में जो घी मिलता था 1971 में बारह साढ़े बारह रुपये किलो वह आज 25 रुपये किलो मिलता है यानी सौ प्रतिशत कीमतें बढ़ गई हैं तो ऐसी स्थिति में 25 7 प्रतिशत यह गोल मोल कीमत दिखाई गई है तो ठीक नहीं है । इसलिये मैं जानना चाहता हूं कि अनुचित रूप से जो वृद्धि हुई है उस के लिए

कौन से कारगर उपाय अपनाए गए और वह अपनाने के बाद भी कीमतें क्यों बढ़ रही हैं ?

SHRI C. SUBRAMANIAM: Sir, the Economic Survey is a recent document which was placed on the Table of the House only three-four days back and being a current publication, I thought the hon Member would have gone through it It has been published both in English and in Hindi and the hon. Member is quite conversant with both the languages. In that, we have given all the steps which had been taken for the purpose of controlling the price and here also we have given the figures to show that from October onwards these steps had some effect on the price trends. In October, the price increase was only 0.3 per cent, in November—1.2 per cent —it has started coming down—and in December—1 5 per cent In January this year, there has been a further decrease. No doubt, there are certain commodities where prices have gone up by more than 25 7 per cent. That would mean, there are certain commodities where the price increase is less than 25.7 per cent. It is only the average of certain commodities which go into common consumption, particularly of labour, which have been taken into account in building this index. Therefore, Sir, I respectfully submit that we can give only averages. If the hon. Member wants the price of any particular commodity, if it is available, certainly we will be able to give.

श्री जगन्नाथ राव जोशी : मेरा जो सवाल था वह बिलकुल अलग था। यह कीमत जो बढ़ है 8.2 से 25 7 प्रतिशत यह तो अनुचित है नार्मल नहीं है और यह एकदम बढ़ गई। तो यह मैंने पूछा था कि आप के कारगर उपाय अपनाने के बाद भी यह क्यों 8.2 से 25.7प्रतिशत बढ़ गई और कौन से कारगर उपाय आप ने अपनाए ?

SHRI C. SUBRAMANIAM: Sir, I thought we had had enough discussion on the economic situation in this country and it was explained that this was due firstly to the Bangladesh war and later on due to the drought and more particularly due to the inflationary situation in the international economy as a whole. Therefore, our prices also had gone up. It is not only in this country that this had happened; it is a world situation (laughter). There is no use laughing unless you want to shut yourselves to realities. We have taken steps. According to us, by the steps we have taken, the trend has been reversed, which has not happened anywhere else.

श्री जगन्नाथ राव जोशी : अध्यक्ष महोदय, मेरा दूसरा सवाल है।

अध्यक्ष महोदय : वह तो कर लिया आप ने।

श्री जगन्नाथ राव जोशी : नहीं वह तो पहला था।

इसी वक्तव्य में उन्होंने विभिन्न कारण जो बताए हैं वह तो दो ही हैं—बंगला देश की लड़ाई और अकाल। लेकिन मैं जानना चाहता हूं 1965 में लड़ाई भी हुई और 1966 में अकाल भी पड़ा यह दोनों होने के बाद भी उस समय प्राइसेज इतनी नहीं बढ़ी 65 से 69 तक इसलिए यह जो हम हवाला देते हैं लड़ाई और अकाल का यह लड़ाई और अकाल तो 65 और 66 में भी थे इतना होने के बाद भी प्राइसेज बढ़ी नहीं थीं लेकिन अब आप अपने खर्चे बढ़ा कर उसको मीट करने के लिए जो लगातार करों में वृद्धि करते हैं जैसे मैं उदाहरण देना चाहता हूं कि मिट्टी का तेल उस के 50 पैसे लागत मूल्य पर 50 प्रतिशत आप का टैक्स है तो वह मिट्टी का तेल ठीक दाम पर कैसे जाएगा ? इसी तरह से पेट्रोल है 68 पैसे उस के लागत मूल्य पर 2 रुपये 36 पैसे आप की ड्यूटी है। तो इस तरह से कीमतें जो बढ़ी हैं उन को नीचे लाने के लिए खर्चे को कम करने और टैक्स को कम करने का आप का विचार है क्या ?

SHRI C. SUBRAMANIAM: He should wait till I present my Budget to see whether I have decreased it or not.

SHRI DINESH CHANDRA GOSWAMI: It is a fact that there has been a general increase in prices, but it is also a fact that particularly in certain areas the increase has been much more because of transport bottlenecks and various other factors. The Economic Survey does not at all indicate whether Government are taking any steps to see that there is uniformity of prices of at least essential commodities throughout the country, so that particular parts of the country may not suffer. Are Government taking steps to see that the fall in prices may be uniform throughout so that particular parts of the country may not have to suffer because of certain bottlenecks and other things?

SHRI C. SUBRAMANIAM: Certainly we should see that there is not too much of disparity in prices from region to region. This cannot be assured in respect of all commodities, but with reference to essential commodities we are trying to see that we have a public distribution system through which we supply these commodities at reasonable prices at all points. Take, for example, the public distribution system of wheat, rice or other coarse grains. This is given at a particular price wherever it is distributed. In the same way, we are trying to develop a distribution system for other essential commodities also. For example, levy sugar is being made available at the same price throughout the country.

Therefore, this could be done only when we have a proper public distribution system for this purpose. This is what we are attempting to do.

SHRI INDER J. MALHOTRA: Have Government taken any decision as to which of the essential commodities will definitely be distributed through the public distribution system?

SHRI C. SUBRAMANIAM: Just now we are doing cereals; we are also distributing sugar. Standard cloth is being distributed through fair price shops. Therefore, it has necessarily got to be cereals, edible oil, sugar, domestic fuel and standard cloth. These will be the main commodities.

SHRI INDRAJIT GUPTA: Just now he has said that standard cloth is being distributed through fair price shops. I do not know where it is happening; at least in our part of the world we do not see it.

Is it a fact that a Committee had been set up with Shri Mohan Dharia as Chairman to go into and report on this question of extending the public distribution system to cover essential commodities like cooking oil, kerosene, sugar, standard cloth, drugs, etc.? If so, has the report been submitted to Government with recommendations and if so, what has happening to it? Because recently Shri T A. Pai, Minister of Industry and Civil Supplies, issued a series of public statements in which he gave the public hope to think that action is about to be taken soon and these essential commodities will be procured for purposes of distribution through the public distribution system at fixed prices. Where exactly does this matter stand and can we at same time in 1975 expect specific action in this direction, without which these prices can never be held or reduced?

SHRI C. SUBRAMANIAM: I agree with the hon. member that unless we have a proper and efficient public distribution system, especially with regard to essential commodities, we are not going to control prices in an effective manner. That is why a separate Ministry has been set up for this purpose and my colleague, Shri Pai, is at it. If he has made statements, I do not think he did so without making any preparation and taking into account particularly the actual realities with regard to implementation. Therefore, I am also hoping that in 1975-76, it should be pos-

sible for us to develop this public distribution system in an effective way so that we start distributing at least some of the essential commodities and then go on extending it instead of trying to attempt everything even in the beginning and then fail.

SHRI INDRAJIT GUPTA: What about Shri Mohan Dharia Committee report?

SHRI C. SUBRAMANIAM: The Minister of Civil Supplies is taking into account that report also.

श्री नाथूराम मिर्धा : जो स्टैंडर्ड कपड़ा गरीब लोगों को बांटने के लिए देहाती क्षेत्रों में और शहरी क्षेत्रों में भी दिया जाता है बहुत ही घटिया किस्म का होता है और इस कदर घटिया किस्म का होता है कि कोई उसको लेना नहीं चाहता है। मैं जानना चाहता हूं कि उसकी क्वालिटी में सुधार लाने के लिए सरकार क्या कर रही है? क्या कोई निर्देश मिलों को इसके बारे में देंगी?

SHRI C. SUBRAMANIAM: We are getting away from the main question. As a matter of fact, I have to impinge upon the sphere of my hon. colleague, the Minister of Commerce. But I want to state this that no doubt in producing standard cloth, many mills resorted to sub-standard production so that they may say that it is not being taken by the public and, therefore, they should be allowed to get away from the production of sub-standard cloth. That is why the qualities and varieties to be produced are also being laid down. I am sure the Ministry concerned will see that this quality control is maintained and the quantities envisaged for production of standard cloth also will be reached.

Scheme of Granting Recognition to Trading Firms as Export Houses

*171. SHRI SUKHDEO PRASAD VERMA:

SHRI JHARKHANDE RAI:

Will the Minister of COMMERCE be pleased to state:

(a) whether Government are considering to review the scheme of granting recognition to trading firms as export houses; and

(b) if so, the main features of the scheme?

THE MINISTER OF COMMERCE (SHRI D. P. CHATTOPADHYAYA): (a) and (b). Yes, Sir. A Working Group has been set up in January, 1975 to review the Scheme of Recognition of Export Houses. The Report of the Working Group is awaited.

श्री सुखदेव प्रसाद वर्मा : मंत्री महोदय ने बताया है कि व्यापार करने वाली फर्मों को निर्यात गृहों के रूप में मान्यता देने के सम्बन्ध में कार्यकारी दल की स्थापना जनवरी में की गई है और उसकी रिपोर्ट की प्रतीक्षा की जा रही है। मैं जानना चाहता हूं कि कौन से ऐसे बिन्दु हैं जिन को लेकर कार्यवाही दल की स्थापना करने की आवश्यकता समझी गई है? मान्यता देने के मुख्य प्रश्न क्या है उसका उत्तर मैंने प्रश्न में भी मांगा था जो कि नहीं आया है। मैं चाहता हूं कि उसका उत्तर भी दिया जाए।

PROF. D. P. CHATTOPADHYAYA: The working group has not let submitted its report. So, the question of taking into account what we propose to do on their recommendations does not arise at this stage.

I would like to say that Government's policy regarding export houses changes from time to time because of the changing situation in the foreign trade market. We have already nearly 295 or 300 export houses. They are entitled to certain facilities and their efficient functioning adds substantially to our export earnings. That is why we are streamlining the procedures and the sort of incentive we can possibly provide to the export houses.

श्री सुखदेव प्रसाद वर्मा : जो प्रश्न मैंने किया है उसका स्पष्ट उत्तर नहीं आया है। जिस कार्यकारी दल की आपने स्थापना की है क्या उसको आपने निर्देश दिया है कि कब तक वह अपना प्रतिवेदन आपके समक्ष प्रस्तुत करे ? आपने उसको जिन बातों का पुनरीक्षण करने का निदेश दिया है वे बातें क्या है ?

PROF. D P. CHATTOPADHYAYA: The Committee has been asked to submit its report as early as possible. Among other things, they are expected to go into questions like the following: what should be the foreign exchange quantum made available to them, should or should not there be export house recognition for a concern dealing in a single commodity though of a substantial turnover, should there be special criteria to recognise a consortium of small scale industries as an export house etc.

श्री झारखण्डे राव : क्या यह सही है कि कुछ निर्यात गृहों का सम्बन्ध हिन्दुस्तान के कुछ उच्च स्तरीय तस्करों से रहा है और जो उनकी धरपकड सारे देश मे हुई उससे यह बात पुष्ट हुई थी ? क्या इस कारण से सरकार का रवैया उनके प्रति सख्त होने जा रहा है या हो चुका है ?

PROF. D P. CHATTOPADHYAYA: If the names of particular export houses are mentioned in connection with smuggling operations, certainly we will take action.

श्री झारखण्डे राव : आपके पास सूचना अपने सूत्रों द्वारा इसकी है या नहीं है कि इनका सम्बन्ध उच्च स्तरीय तस्करों से रहा है ? यदि आपको यह सूचना प्राप्त हुई है तो आपका रवैया उनके प्रति सख्त हुआ है या नहीं हुआ है, सख्त रवैया उनके प्रति करने का आपका विचार है या नहीं है ?

PROF. D. P. CHATTOPADHYAYA: As you know, our attitude to the smugglers has been uniformly stiff, and of the 300 export houses if he has in mind any particular export house indulging in malpractices, certainly we will take note of it as I have already said

SHRI P. M MEHTA: May I know whether a decision has been taken by the Ministry that a consortium of small scale industries will be formed to promote export by the small scale units before the 31st March, 1975 and that, in case it is not formed, the ceiling on export will be reduced to help export by the small scale units?

PROF D. P CHATTOPADHYAYA: I have already mentioned that it is Government's intention to encourage the formation of a consortium by small scale units so that the sort of facilities which the small scale units on their own are not entitled to can be obtained by them by forming the consortium We will see, as I have said, that the recommendation of the Committee is available as early as possible, and we will take suitable action thereupon.

WRITTEN ANSWERS TO QUESTIONS

Agreement between India and Iran

*161 SHRI VIJAY PAL SINGH: Will the Minister of COMMERCE be pleased to state:

(a) whether some agreements have been made between India and Iran to increase the trade between two countries, and

(b) if so, the main features thereof?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI VISHWANATH PRATAP SINGH): (a) Yes, Sir

(b) *Long Term Trade Agreement*.

Long term Trade Agreement between India and Iran has come into force from 17th December, 1974. The agreement is valid for 5 years and provides for the extending of Most-Favoured-Nation treatment in mutual trade as well as for the provision of facilities for holding of trade fairs

and exhibitions in either country. Payments under the agreement will be made in freely convertible currencies and the performance of trade under the agreement will be reviewed once in six months.

Memorandum of Understanding

2 During the visit of the Prime Minister of India to Iran in April/May 1974, agreement was reached regarding financial assistance to be extended by Iran for —

(a) setting up a pellet feed project at Kudremukh for supply to Iran (annual capacity 7.5 million tonnes);

(b) an alumina plant (annual capacity 300,000 tonnes), and

(c) a joint shipping line.

Commodity Contracts

3 Specific contracts were agreed upon in August 1974 during the Indo-Iran trade talks held in Tehran for the supply of;

(a) 130,000 tonnes of rails by India to the Iranian State Railways,

(b) An agreement to supply 3 lakh tonnes of cement is under execution and shipments are likely to be completed by May/June 1975 further contract to supply 11 lakh tonnes of cement between 1975 and 1977 has also been concluded.

(c) an agreement to supply 5 lakh tonnes of sugar is under execution Another agreement to supply another 75,000 tonnes has also been finalised.

Issue of licences/Release Orders to Paramount Engineering Works

*162. SHRI MADHU LIMAYE: Will the Minister of COMMERCE be pleased to state:

(a) the total value of the licences/release orders issued to Paramount Engineering works for stainless steel/other products;

(b) whether these release orders or the goods imported under it have been sold in black market;

(c) whether any investigations have been carried out into this scandal; and

(d) the results thereof?

THE MINISTER OF COMMERCE (PROF D. P. CHATTOPADHYAYA) (a) M/s Paramount Engineering Works, Lucknow had last obtained import licences/release orders for Rs. 65,47,674 for non-ferrous metals for the licensing period 1971-72.

(b) to (d) Government have no information on this The unit has since been reported as closed, and the utilisation of imported materials is being looked into

Delhi-Lucknow-Gorakhpur-Varanasi-Patna-Calcutta Air Service

*163 PROF S L SAKSENA: Will the Minister of TOURISM AND CIVIL AVIATION be pleased to state.

(a) the reason why Gorakhpur has still not been connected by Delhi-Lucknow-Gorakhpur-Varanasi-Patna-Calcutta air service; and

(b) when will this service be introduced?

THE MINISTER OF STATE IN THE MINISTRY OF TOURISM AND CIVIL AVIATION (SHRI SURENDRA PAL SINGH): (a) and (b). Indian Airlines have no plans at present to start air services to Gorakhpur in the context of the steep increase in the price of aviation fuel and the decision of the Corporation to phase out Viscounts and Dakotas from their fleet.

Narrow gap between Seasonal Credit Expansion

*164. SHRI C. JANARDHANAN: Will the Minister of FINANCE be pleased to state:

(a) whether the gap between seasonal credit expansion this year and a year ago is narrowing since the credit has been moving up rapidly from the middle of December, and

(b) if so, the broad features thereof?

THE MINISTER OF FINANCE (SHRI C. SUBRAMANIAM): (a) and (b). During the current busy season and up to 7th February, 1975, the increase in gross bank credit, including bills rediscounted with the Reserve Bank of India, has been Rs. 571 crores as against Rs. 714 crores during the corresponding period of the 1973-74 busy season. Week to week or even month to month changes during the season depend upon a variety of factors. In the 1973-74 busy season during the first seven weeks of the season i.e. end October to mid-December, 1973, the increase in gross bank credit was Rs. 452 crores as against Rs. 119 crores in the corresponding period of the current busy season. To counter the trend of initial upsurge of the last busy season, a package of restrictive measures was announced in the middle and again at the end of November 1973, and thereafter the increase was more regulated. This year, due to better regulation of credit expansion by the banks right from the very beginning of the busy season, the distribution of credit expansion as between different weeks has been much more even than what it was in the last busy season.

Calicut Aerodrome

169. SHRI VARKEY GEORGE: Will the Minister of TOURISM AND CIVIL AVIATION be pleased to state:

(a) whether his Ministry had approved a project for the construction of an aerodrome in Calicut and if so, the total expenditure incurred by Kerala Government and Union Government on its construction;

(b) whether the required land under the scheme has been acquired; and

(c) the time by which the proposed aerodrome will be completed?

THE MINISTER OF STATE IN THE MINISTRY OF TOURISM AND CIVIL AVIATION (SHRI SURENDRA PAL SINGH): (a) A project for the construction of an aerodrome in Calicut was included in the draft 5th Five Year Plan of the Ministry of Tourism and Civil Aviation. An expenditure of approximately Rs. 11 lakhs has been incurred by the Director General of Civil Aviation on acquisition and fencing of land required for the purpose.

The Government of Kerala who have constructed an approach road are reported to have incurred an expenditure of about Rs. 15 lakhs.

(b) Land measuring 213.65 acres has been acquired for this purpose.

(c) Indian Airlines have recently indicated that in view of their tight fleet position and increased cost of operation, it would not be possible for them to operate to Calicut during the 5th Plan period. Nevertheless, it is proposed to pursue the proposal for the development of the aerodrome subject to availability of resources. If the project is approved finally, it will take about 3 years to complete the work from the date of commencement.

Trade with COMECON Countries

*170. SHRI CHANDRA SHEKHAR SINGH: Will the Minister of FINANCE be pleased to state:

(a) whether India can opt for transferable Roubles as medium of settlement of trades with the COMECON countries; and

(b) if so, the main features thereof and the advantages of this special provision?

THE MINISTER OF FINANCE (SHRI C. SUBRAMANIAM): (a) and (b). Trade accounts among the COMECON countries are settled in transferable Roubles through the International Bank for Economic Co-operation. India is not a member of this Bank. This bank may also undertake the settlement of accounts in transferable Roubles between its member countries and non-member countries on the basis of specific undertake the settlement of accounts countries and the Bank. India's trade with the COMECON countries is presently conducted in Indian Rupees on a bilateral basis. The question whether there could be mutually advantageous changes in the present arrangements is one which receives continuing attention of the Government.

Agency to Handle Import of Fertilizers

*172. SHRI P. K. DEO:

SHRI R. R. SINGH DEO:

Will the Minister of COMMERCE be pleased to state:

(a) whether Government have taken any decision as to which agency should handle the import of fertilizers;

(b) if so, the name of the agency, and

(c) the reasons for change in the present set-up?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI VISHWANATH PRATAP SINGH): (a) to (c). The work of import of fertilizers from Rupee Payment Area countries is handled by Minerals and Metals Trading Corporation, and from other countries by the Department of Supply. The question of making a single agency responsible for procurement of fertilizers from all sources is under Government's consideration.

Accumulation of Controlled Cloth in Textile Mills

*173. SHRI NAWAL KISHORE SHARMA: Will the Minister of COMMERCE be pleased to state:

(a) whether following the credit squeeze, the cotton mill-owners have sharply reduced uplifting of controlled varieties for sale through mills own retail shops;

(b) whether as a result huge stocks of controlled cloth varieties have accumulated;

(c) whether more than 2,00,000 bales of yarn have also accumulated in mills' godowns, especially in Tamil Nadu; and

(d) the steps taken or proposed to be taken to meet the situation?

THE MINISTER OF COMMERCE (PROF. D. P. CHATTOPADHYAYA): (a) Recently, some mills have requested the Office of the Textile Commissioner not to allot controlled cloth for sale through their own retail shops. Besides, some mills have surrendered some quantities of controlled cloth allotted for sale through their own retail shops Credit squeeze does not appear to be the reason for these steps by the mills. Probably, the mills are unable to sell the particular varieties of controlled cloth allotted for sale through their retail shops.

(b) No, Sir. It is observed that the stocks of controlled cloth at the end of each month since June, 1974, have ranged from about 3 weeks production to six weeks production which is not abnormal.

(c) As at the end of January, 1975 the total stocks of cotton yarn amounted to 95,000 bales (69,200 bales unsold and 25,800 bales sold but unlifted), out of which the Tamil Nadu mills carried 29,000 bales (21,500 bales unsold 7,500 bales sold but unlifted).

(d) The stocks being at normal levels, no special measures are envisaged. However, State Governments have been requested to relax ristribution norms for controlled cloth where required, to enable offtake of slow moving stocks.

चावल का निर्यात

*174. श्री शंकर दयाल सिंह : क्या वाणिज्य मंत्री यह बताने की कृपा करेंगे कि :

(क) पिछले एक वर्ष में भारत से किन किन देशों को कितने कितने चावल का निर्यात किया गया है ;

(ख) क्या विदेशों में बासमती चावल तथा देहरादून के चावल की मांग निरन्तर बढ़ रही है ; और

(ग) यदि हां, तो सरकार द्वारा इसका अधिकतम निर्यात करने के लिए क्या कदम उठाये गये हैं ?

वाणिज्य मंत्रालय में उपमंत्री (श्री विश्वनाथ प्रताप सिंह) : (क)

निर्यात के देश	1973-74 के दौरान निर्यातित मात्रा (मे० टन)
बहरीन द्वीप समूह	6942
दुबई .	3000
कुवैत .	1034
कतार .	1000
ब्रिटेन .	1251
अन्य .	1595
योग	14822

(ख) जी हां।

(ग) उत्पादन बढ़ाने के लिए प्रोत्साहन के रूप में बासमती धान के लिए उपजकर्ताओं को अधिक आकर्षक मूल्य दिया जा रहा है।

Import of Newsprint

*175. SHRIMATI BHARGAVI THANKAPPAN:

SHRI HARI SINGH:

Will the Minister of COMMERCE be pleased to state:

(a) the total newsprint which would be made available during the year 1975-76 through import under firm contracts, country wise, and through indigenous production; and

(b) the quantity and value of the newsprint imported during the year 1974-75, country-wise?

THE MINISTER OF COMMERCE (PROF. D. P. CHATTOPADHYAYA): (a) The STC has entered into firm contracts for import of 1.28 lakh tonnes of newsprint during 1975-76 as per details given below:

Canada	68,813 M/Ts.
West Germany	20,000 ,,
Japan	17,000 ,,
USSR	12,875 ,,
Czechoslovakia	9,500 ,,

However, taking into account the likely opening stock and the quantity in pipeline as on 1-4-1975, a total quantity of 1.80 lakhs tonnes of newsprint is expected to be available from imports during 1975-76.

About 75,000 M/Ts. of newsprint is exported to be available from indigenous production during 1975-76.

(b) 1.86 lakh tonnes of newsprint valued at Rs. 60.18 crores is likely to be imported by the end of 1974-75 from Canada, Scandinavia, Czechoslavakia, Bangladesh, USSR and Japan.

Approach Roads to Ahmedabad and Bombay Airports

*176. SHRI SHARAD YADAV: Will the Minister of TOURISM AND CIVIL AVIATION be pleased to state:

(a) whether Government have received complaints about the miserable condition of the approach roads to the airports of Ahmedabad and Bombay;

(b) whether roads leading to the other major airports in India, too, are found to have been in a state of disrepair; and

(c) the steps taken to repair these roads, including sub-way sections, as at Santacruz, Bombay by the Airports Authority and the Central and State Governments?

THE MINISTER OF STATE IN THE MINISTRY OF TOURISM AND CIVIL AVIATION (SHRI SURENDRA PAL SINGH). (a) Some complaints about the unsatisfactory condition of the approach roads to the airports of Ahmedabad and Bombay were received. Both these approach roads have since been repaired and are now in good condition.

(b) and (c). The limited sections of roads leading to the international airports at Madras, Delhi and Calcutta, from the respective main roads, which are looked after by the International Airports Authority of India, are in quite good condition. In regard to domestic aerodromes, the main roads connecting these aerodromes are maintained by the concerned State Governments/Municipalities etc. and it is their responsibility to keep them in serviceable condition. The need for proper maintenance of approach roads to aerodromes was brought to the notice of the State Governments as early as in February, 1969. When any case of unsatisfactory condition of approach road comes to notice, the matter is taken up with the State authorities concerned for undertaking necessary repairs.

Alleged Collusion between Haji Mastan and Income Tax Authorities in Bombay

*177. SHRI S. N. MISRA: Will the Minister of FINANCE be pleased to state:

(a) whether it has come to the notice of the Government that a portion of the Bombay Garage which has been hired by the Income Tax Department, Bombay at Rs. 20,000 per month belongs to Haji Mastan;

(b) whether Government have found any collusion of some Income Tax officials with Haji Mastan; and

(c) if so, the names of such officials and action taken by Government in the matter?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PRANAB KUMAR MUKHERJEE): (a) This building belongs to F. M. Chinoy & Co. (P) Ltd However, Shri Haji Mastan and his associates acquired all the shares of this company in December, 1968. The Income-tax Department has hired an area of 19,000 sq ft. in these premises on a monthly rental of Rs 42,750/- from Haricharan Purshottamdas Trust, who had taken the premises on lease from Kamrunnissa Trust, a lessee of F. M. Chinoy & Co. The trustees and beneficiaries of Kamrunnissa Trust are relatives of Shri Haji Mastan.

Haricharan Purshottamdas Trust who are in the business of acquiring and renting/leasing suitable premises and, after developing the same, hiring out/selling such premises, renovated these premises and let out that to the Income-tax Department in 1972 in the normal course of their commercial activities.

(b) No, Sir.

(c) The question does not arise.

भारत और पाकिस्तान के बीच सौदे पूर्ण होना

*178. श्री शिव कुमार शास्त्री : क्या वाणिज्य मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या भारत और पाकिस्तान के बीच व्यापार सम्बन्ध भंग होने से पूर्व दोनों देशों के बीच सारे व्यापारिक सौदे पूरे हो चुके थे ;

(ख) यदि नहीं, तो क्या उस समय पाकिस्तान अथवा भारत को आपस में कुछ लेना-देना था ;

(ग) क्या इस बारे में कोई बातचीत हुई है ; और

(घ) यदि हां, तो तत्सम्बन्धी मुख्य बात क्या है ?

वाणिज्य मंत्रालय में उप मंत्री (श्री विश्वनाथ प्रताप सिंह) : (क) जी नहीं । सभी व्यापारिक सौदे पूरे नहीं हुए थे ।

(ख) जी हां ।

(ग) जी नहीं ।

(घ) प्रश्न नहीं उठता ।

Boosting of Exports to Socialist and Non-Socialist Countries

*179. SHRI S. M. BANERJEE: Will the Minister of COMMERCE be pleased to state:

(a) what further steps have been taken to boost up India's exports to the Socialist and non-Socialist countries; and

(b) the value of goods exported to various countries during 1974 and how does it compare with the figures of 1973?

THE MINISTER OF COMMERCE (PROF. D. P. CHATTOPADHYAYA): (a) Export promotion is a continuous process. Efforts are made for increasing export production, generation of export surpluses, identification of items and development of foreign markets. In addition in order to boost exports trade delegations are sponsored, joint economic commissions have been set-up, bilateral trade plans are negotiated, joint ventures and participation in exhibitions and commercial fairs is encouraged.

(b) A statement is laid on the Table of the House.

Statement

Direction of exports by regions

Region/Countries	1972-73	1973-74	April—Oct. 1973	April—Oct. 1974
I. East European Countries	46973	47806	28055	36608
(i) USSR	30482	28979	17691	23762
(ii) Bulgaria	1886	1965	1316	623
(iii) Czechoslovakia	4610	4165	2052	3579
(iv) German Dem. Rep.	1511	2162	972	1735
(v) Hungary	1228	2377	1404	1006
(vi) Poland	4418	4887	2889	3535

Statement—contd.

Region/Countries	1972-73	1973-74	April—Oct. 1973	April—Oct. 1974
(*vii*) Roumania	1594	1516	889	978
(*viii*) Yugoslavia	1241	2555	1341	1390
II. America	31040	38820	19298	28631
(*a*) North America	30394	37359	18790	27212
(*i*) Canada	2820	3078	1723	3016
(*ii*) U.S.A.	27574	34278	17067	24196
(*b*) Latin America	426	1208	390	1262
(*c*) Other American Countries	218	256	118	157
III. Asia and Oceanian Countries	64194	86981	40734	58459
(*a*) ESCAP	56505	73080	35382	45628
(*b*) Other Asia & Oceania	7389	13901	5352	12831
IV. West European Countries	44764	64624	34680	41990
(*a*) E.C.M.	40772	59432	31914	38651
(*b*) E.F.T.A	2780	3194	1573	2058
(*c*) Other European Countries	1210	1998	1193	1281
V. Africa	10112	10091	5117	9208
GRAND TOTAL OF EXPORTS (incl. re-exports)	197088	248322	127864	174896

तीव्रगामी दुर्गा और काली नौकाओं द्वारा पकड़ा गया तस्करी का माल

***180. श्री ए० डी० बड़े :**
माधवराव सिंधिया

क्या वित्त मंत्री यह बताने की कृपा करेंगे कि :

(क) तस्करी की नौकाओं को रोकने के कार्य में लगी तीव्रगामी 'दुर्गा' और 'काली' नौकाओं द्वारा कुल कितने मूल्य का तस्करी का माल पकड़ा गया और वह किस-किस तारीख को पकड़ा गया; और

(ख) इन नौकाओं के कार्य में समय समय पर ढील आने के कारण और तथ्य क्या है ?

वित्त मंत्रालय में राज्य मंत्री श्री प्रणब कुमार मुखर्जी : (क) तेज रफ्तार वाली नौका 'दुर्गा' और 'काली' की सहायता से पकड़े गये तस्करी के माल के मूल्य का और जिन तारीखों को यह तस्करी का माल पकड़ा गया था, उनका ब्यौरा इस प्रकार है :

	माल पकड़ने की तारीख	पकड़े गये माल का मूल्य	पकड़े गये यान का मूल्य
		रु०	रु०
काली . . .	28—10—74	29,31,240	3,00,000
	29—10—74	14,51,325	2,50,000
	31—10—74	11,29,611	4,00,000
	5—11—74	9,75,564	80,000
दुर्गा	1—11—74	15,04,275	3,50,000

(ख) नियतकालिक नेमी रखरखाव तथा मरम्मतो के कारण तेज चलने वाली नौकाए 'काली' तथा 'दुर्गा' अल्पावधि तक कार्यवाही के लिए उपलब्ध नही थी ।

Indianisation of Foreign Companies

1591 SHRI ANANTRAO PATIL: Will the Minister of FINANCE be pleased to state

(a) how many foreign companies are still holding shares as principal companies and when their full Indianisation is expected,

(b) how many such foreign executives including Chairmen and Managing Directors, are likely to relinquish their posts and offer them to competent Indians, and

(c) whether there are any complaints about any companies for flouting the directive of the Government of India and if so, which are those companies?

THE MINISTER OF FINANCE (SHRI C. SUBRAMANIAM) (a) It is presumed that the Hon'ble Member desires information regarding subsidiaries of foreign companies operating in India A list of such subsidiaries was furnished to the Lok Sabha by the Deputy Minister of Law, Justice & Company Affairs in reply to a Starred Question No. 4921 for 17th December, 1974

As regards the Indianisation of foreign share holdings, the following steps have been initiated by the Government —

(1) Companies with more than 51 per cent foreign holding when they undertake an expansion are required to bring down foreign share holdings in accordance with the 'Guidelines for reduction of foreign holdings in foreign majority companies". A copy of the Press Note dated the 19th February, 1972 in this regard is laid on the Table of the House. [*Placed in Library See* No LT-9043 75]

(2) Under Section 29 of the Foreign Exchange Regulation Act, 1973 companies incorporated abroad and Indian companies having more than 40 per cent non-resident interest are required to obtain fresh permission of Reserve Bank of India to carry on their existing business activities in India. All such cases will be considered in terms of the guidelines announced by the Government for administration of this Section, a copy of which was laid on the Table of the Lok Sabha on the 20th December, 1973. These guidelines envisage that the branches of foreign companies will be required to convert into Indian companies with foreign holdings of 40 per cent or 74 per cent depending upon the nature of

their activities. The Indian companies with more than 40 per cent non-resident interest will also be required to bring down the foreign holdings either to 74 per cent or 40 per cent depending upon the nature of their activities.

(b) and (c). The information is being collected and will be laid on the Table of the Lok Sabha to the extent it becomes available.

Request from Karnataka Government for World Bank Assistance to Kali Power Project

1592. SHRI K. LAKKAPPA: Will the Minister of FINANCE be pleased to state:

(a) whether the request of Karnataka Government for World Bank assistance to Kali power project was under the consideration of the Central Government;

(b) if so, the facts thereof; and

(c) the decision taken thereon?

THE MINISTER OF FINANCE (SHRI C. SUBRAMANIAM): (a). No, Sir.

(b) and (c). Do not arise.

पश्मीना उद्योग के लिये लद्दाख को सहायता

1593. श्री कृशोक बाकुला : क्या वाणिज्य मंत्री यह बताने की कृपा करेंगे कि :

(क) लद्दाख में पश्मीना ऊन उद्योग को बड़े और नियमित स्तर पर चालू करने के लिए कच्चे माल की उपलब्धता सुनिश्चित करने के लिए आर्थिक सहायता देने की कौन कौन सी योजनाएं विचाराधीन हैं ; और

(ख) उसकी मुख्य बातें क्या हैं ?

वाणिज्य मंत्रालय में उपमंत्री (श्री विश्वनाथ प्रताप सिंह) : (क) और (ख). भारत सरकार समय समय पर ऊन उद्योग के वर्स्टेड हथकरघा क्षेत्र के लिये उपलब्ध कुल विदेशी मुद्रा की अधिकतम सीमा का 50 प्रतिशत उद्योग निदेशक, जम्मू तथा कश्मीर को आवंटित करती है । इसके अलावा जम्मू तथा कश्मीर राज्य में शाल उद्योग के लिये रेफल यार्न वूल टाप्स के आयात हेतु 10 लाख रुपये की अतिरिक्त विदेशी मुद्रा की अधिकतम सीमा राज्य के उद्योग निदेशक को रिलीज़ की गई है । राज्य के अनेक भागों में अलग अलग एककों के बीच वास्तविक आवंटन राज्य के उद्योग निदेशक द्वारा किया जाता है जो लद्दाख में पश्मीना उद्योग को सहायता देने तथा उसका विकास करने के लिए आवश्यक कदम उठायेगा ।

Performance of Jute Industry

1594. SHRI D. P. JADEJA:
SHRI ARVIND M. PATEL:

Will the Minister of COMMERCE be pleased to state:

(a) whether the performance of Jute Industry was poor according to Reserve Bank of India study recently;

(b) if so, the reasons therefor; and

(c) the suggestions made by the Reserve Bank of India study team in the matter?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI VISHWANATH PRATAP SINGH): (a) A study on finances of 1650 Medium and Large companies including 43 Jute Mill Companies during 1970—73 by Reserve Bank of India revealed that the performance of Jute Industry was poor when compared to others covered by the study.

(b) The poor performance is attributable to decline in demand due to competition from synthetics, rise in cost of production, loss of production due to power cuts etc.

(c) The study does not contain any suggestion in the matter.

Injunctions issued by Courts in Income Tax Arrears cases

1595. PROF. NARAIN CHAND PARASHAR: Will the Minister of FINANCE be pleased to state:

(a) the number of cases of Income tax arrears in which court injunctions have been obtained by the defaulting parties during the years 1972-73 and 1973-74, separately;

(b) whether any steps have been taken by the concerned authorities to get these injunctions vacated; and

(c) the names of the parties who have obtained these injunctions and against whom Income tax arrears of more than rupees ten lakhs each are pending?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PRANAB KUMAR MUKHERJEE): (a) and (b). Information is being collected and will be laid on the Table of the House, as soon as possible.

(c) The names of the parties who had obtained court injunctions and against each of whom income-tax demand exceeding Rs. 10 lakhs was outstanding on 31-3-74, are given in the Statement. [*Placed in Library. See* No. LT-9044/75] laid on the Table of the House.

अन्तर्राष्ट्रीय सम्मेलनों और समारोहों पर व्यय

1596. श्री लालजी भाई : क्या वित्त मंत्री यह बताने की कृपा करेंगे कि :

(क) वर्ष 1973-74 और 1974-75 के दौरान भारत में कितने अन्तर्राष्ट्रीय सम्मेलनों और समारोहों का आयोजन किया गया ; और

(ख) भारतीय मुद्रा और विदेशी मुद्रा के रूप में उन पर कितनी धनराशि खर्च की गई ?

वित्त मंत्रालय में राज्य मंत्री (श्री प्रणब कुमार मुखर्जी) : सूचना एकत्रित की जा रही है और सभा पटल पर रख दी जाएगी ।

Closure of India's Tea Board's Centre at Melbourne

1597. SHRI N. E. HORO:

SHRI S. N. SINGH DEO:

SHRI TUNA ORAON:

Will the Minister of COMMERCE be pleased to state:

(a) whether Indian Tea Board's centre at Melbourne has been closed down and the size of Indian Tea Market in U.S.A. and Canada has been narrowed;

(b) if so, the reasons thereof;

(c) whether Government are aware that tea producers in the country are worried about the trend of tea buying market in the World; and

(d) if so, is it the reason of falling popularity of Indian Tea in World market?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI VISHWANATH PRATAP SINGH): (a) and (b). The proposal to close down the Melbourne Tea Centre in Australia is being examined.

The exports to U.S.A. in the calendar year 1974 is 7.6 m. kgs. as against 7.9 in 1973 and 7.4 in 1972. The exports to Canada have been 2.65 m.kgs. in January—October, 1974, as against 2.8 and 2.21 m.kgs. respectively in

1972 and 1973. Thus the general trends do not indicate any perceptible decline.

(c) No, Sir.

(d) There is no basis for the apprehension that popularity of Indian tea in world market is falling

Proposal to set up 'No Star' Hotels at Rajgir, Jamshedpur, Patna and Ranchi

1598. SARDAR SWARAN SINGH SOKHI Will the Minister of TOURISM AND CIVIL AVIATION be pleased to state whether 'No Star' hotels are proposed to be built with Government aid, at Rajgir, Jamshedpur, Patna and Ranchi, in Bihar?

THE MINISTER OF STATE IN THE MINISTRY OF TOURISM AND CIVIL AVIATION (SHRI SURENDRA PAL SINGH) The India Tourism Development Corporation has presently no plans for constructing hotels at Rajgir, Jamshedpur and Patna in Bihar. However, a Tourist Reception Centre-cum-Motel project at Patna is under construction. The complex will have 50-room capacity and a restaurant. A motel at Ranchi with 60-room capacity has been included in the Fifth Five Year Plan proposals The work will be undertaken subject to economic feasibility and availability of resources.

Sale of Air Tickets at cheaper rates by Foreign Airlines

1599 SHRI G Y. KRISHNAN Will the Minister of TOURISM AND CIVIL AVIATION be pleased to state

(a) whether it has been brought to the notice of Government that a good number of foreign Airlines sell air tickets much cheaper than Air-India or BOAC or TWA resulting in a great loss to Air India; or

(b) if so, the broad outlines of the policy of Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF TOURISM AND CIVIL AVIATION (SHRI SURENDRA PAL SINGH) (a) and (b). It is believed that certain international airlines indulge in malpractices such as undercutting in fares to lure traffic. The following measures have been taken to deal with the situation:—

(i) Reduced return fares have been introduced between USA and India and U.K and India.

(ii) Reduced youth fares have been introduced between India and France and India and Switzerland;

(iii) A charter company has been established by Air India for operation of charters at cheap fares;

(iv) A rule has been incorporated in the Aircraft Rules 1937, whereby it is compulsory for airlines to file their tariffs with the Director General of Civil Aviation for approval;

(v) A reservation has been placed on the relevant IATA Resolution which provides that where tickets etc, are issued in India and paid for in Indian Rupees, no refund will the made in any country other than India and in any currency other than Indian rupees

Apart from the above measures, a close watch is being maintained by the International Air Transport Association enforcement organisation as well as our own Governmental authorities concerned with the infringement of foreign exchange regulations.

Imports from developed and rupee payment Countries

1600. SHRI BHOGENDRA JHA: Will the Minister of COMMERCE be pleased to state:

(a) which are the items being imported from the developed capitalist countries and which of them can be had from the rupee-payment or developing countries;

(b) whether it is proposed to import only those articles from the developed capitalist countries which are available in rupee payment or in developing countries, if not, reasons therefor, and

(c) which are the countries having trade with India on the basis of rupee payment and whether it has been or is proposed to approach the non-rupee payment countries to accept Indian rupee as the basis of trade, if so, the main features thereof?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI VISHWANATH PRATAP SINGH): (a) and (b). It is the Government's policy to diversify and maximise trade with all trading partners whether they be in rupee payment area or in convertible currency area. All essential requirements are imported from the sources where they are available at the most competitive prices. There is no arrangement to restrict trade with any particular economy area or to any particular currency area.

(c) Apart from the socialist countries, namely, U.S.S.R. Poland, Czechoslovakia, German Democratic Republic, Hungary, Bulgaria, Romania, and Democratic Peoples Republic of Korea trade on rupee payment basis is carried on with U.A.R. and Sudan. At present there is no proposal to approach the non-rupee payment countried to conduct trade on rupee payment basis.

वर्ष 1974-75 में विदेशों से प्राप्त ऋण

1601 श्री धनशाह प्रधान : क्या वित्त मंत्री यह बताने की कृपा करेंगे कि :

(क) वर्ष 1974-75 में भारत सरकार ने किन देशों से कितना और किस रूप में ऋण प्राप्त किया ,

(ख) ऋण के रूप में प्राप्त राशि में ब्याज रहित कितनी राशि है और अनुदान के रूप में प्राप्त धनराशि का ब्यौरा क्या है; और

(ग) सरकार ने कम ब्याज पर ऋण लेने के लिए क्या प्रयत्न किये हैं ?

वित्त मंत्री (श्री सुब्रह्मण्यम) (क) और (ख) चालू वित्त वर्ष में बेल्जियम, कनाडा, डेनमार्क, फ्रांस, पश्चिम जर्मनी, जापान, नीदरलैंड, स्वीडन, ब्रिटेन, संयुक्त राज्य अमेरिका विश्व बैंक और अन्तर्राष्ट्रीय विकास संघ ने 1062 31 करोड़ रुपये की सहायता देने का वचन दिया है जिनका ब्यौरा इस प्रकार है :

	ऋणदाता की मुद्रा (करोड़ में)	करोड़ रुपयों में
बेल्जियम (बेल्जियन फ्रांक)	5 00	5.77
कनाडा (कनाडियन डालर)	5.236	42.98
डेनमार्क (डेनिश क्रोनर)	5 200	7 02
फ्रांस (फ्रांसीसी फ्रेंक)	38.428	64 56
पश्चिम जर्मनी (ड्यूश मार्क)	36.00	113.76
जापान (येन)	1914.286	51.69

	ऋणदाता की मुद्रा (करोड में)	करोड रुपयो में
नीदरलैण्ड (डच गिल्डर)	8.200	25.01
स्वीडन (स्वीडिश क्रोनर) . . .	20 350	37 44
ब्रिटेन (पौण्ड स्टर्लिंग) . . .	3.940	74.54
संयुक्त राज्य अमेरिका (अमरीकी डालर) . .	.864	6.93
		419.70

इनके अलावा विश्व बैंक और अन्तर्राष्ट्रीय विकास सघ ने क्रमश: 16.100 करोड डालर (129 12 करोड रुपये) और 62.780 करोड डालर (513 49 करोड रुपये) की सहायता देने का वचन दिया है । इसमें से 500.27 करोड रुपये की सहायता परियोजना ऋणो के रूप मे और 562 04 करोड रुपये गैर परियोजना ऋणो के रूप होगी । ब्याजमुक्त ऋणो की रकम 156.32 करोड रुपये और अनुदानो की रकम 38 30 करोड रुपये है ।

(ग) भारत सरकार कई वर्षों से अधिक अनुकूल शर्तों पर विदेशी सहायता लेने का प्रयत्न कर रही है और इन प्रयत्नो में काफी हद तक सफलता भी मिली है । जहा पहली आयोजना मे कुल विदेशी ऋणो के केवल एक चौथाई भाग के ब्याज की दर 3 प्रतिशत या इससे कम थी, तीसरी आयोजना की अवधि में इन ऋणो का अश 60 प्रतिशत और चौथी आयोजना की अवधि में 80 प्रतिशत था । ऋणो की वापसी की अवधि मे भी सुधार हुआ है । चौथी आयोजना में प्राप्त कुल विदेशी सहायता के तीनचौथाई भाग की पकने की अवधि 25 वर्ष या इससे अधिक थी जब कि तीसरी आयोजना में 50 प्रतिशत सहायता की और पहली आयोजना में केवल 4 प्रतिशत की अवधि इतनी थी ।

Boosting of Export of Engineering goods and services

1602 SHRI P VENKATASUBBAIAH Will the Minister of COMMERCE be pleased to state

(a) whether a great potential exist for boosting India's exports of engineering goods and services;

(b) if so, steps taken to explore the markets abroad, and

(c) the results achieved so far and the steps envisaged to boost up the same?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI VISHWANATH PRATAP SINGH): (a) Yes, Sir.

(b) and (c). Following steps are being taken on continuous basis to promote exports of engineering goods:—

1. Provision of imported raw material to registered exporters;
2. Supply of indigenous raw material like steel and aluminium on priority;
3. Organising of bulk imports of certain raw materials by Public Sector agencies for export fabrication;

4. The Trade Development Authority has been entrusted with the task of promoting export production and overseas marketing of certain selected commodities;

5. The Projects and Equipment Corporation is enlarging its activities to increase the export of engineering goods;

6. Compensatory support is allowed on exports of selected products to develop marketing competence and to neutralise the disadvantages inherent in the present stage of development of the country;

7. Drawback of Customs and Central Excise duties is allowed on a number of export products;

8. In addition to the above the Engineering Export Promotion Council has also been taking following steps on continuing basis:—

sending out trade delegations and study teams, conduct of market surveys abroad, dissemination of information of trade interest amongst exporters, participation in international exhibitions and trade fairs etc.

As a result of the above steps being taken, export of engineering goods is increasing from year to year.

Officers Posted in Andamans

1603. Shri S. D. SOMASUNDARAM: Will the Minister of FINANCE be pleased to state:

(a) whether there are restrictions for rotational transfers of Government officers up to March 1975 in view of the economic difficulties being faced by the Government of India;

(b) if so, whether the restrictions would be released from 1st April, 1975 or further extended; and

(c) whether officers, engineers and doctors posted to Andamans, who have completed their tenure, would be repatriated to mainland in April 1975?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PRANAB KUMAR MUKHERJEE): (a) Yes, Sir.

(b) No decision in this regard has yet been taken.

(c) Transfers of officers, including engineers and doctors, are made by the respective Ministries controlling the Services According to readily available information, there is no prescribed tenure for which officers of IAS/IPS(UT) and Delhi and Andamans Civil/Police Service officers are reuired to serve in the Islands. Their transfer depends upon various factors including administrative needs. However, request for transfer is considered after the officer has served for a period of two years or so. Doctors mostly belong to the Central Health Service and their transfer is regulated keeping in view the guiding principles laid down by the Ministry of Health for effecting transfers of such officers from one station to another. According to these guiding principles, Port Blair of posting is four years.

Loan from Japan

1604 SHRI M M. JOSEPH: Will the Minister of FINANCE be pleased to state:

(a) whether the Japanese Government has extended a 23 million dollars loan to India for purchase of steel materials, fertilizers and other commodities;

(b) whether the total of Japanese loan to India has amounted to 1.07 billion dollars; and

(c) if so, the period within which India hopes to repay the loan alongwith its interest to Japan?

THE MINISTER OF FINANCE (SHRI C SUBRAMANIAM): (a) Yes, Sir. Notes were exchanged between the two Governments on the 31st January, 1975 which provide that the Government of Japan shall extend to India, as a part of the financial aid to India for 1974-75, a sum of Yen 7,000 million (equivalent of Rs 19 crores or $ 23 4 million at the current rate of exchange) as Commodity Loan for the purchase of machinery, steel, fertilizers, components, spares, etc

(b) Yes, Sir. Taking into account the Commodity Loan above as also the Notes exchanged for a Debt Relief Loan of Yen 12,143 million, the total of the loans extended by the Government of Japan to India would amount to Yen 328 billion which would be approximately equivalent to US $ 1 09 billion at the current rate of exchange

(c) All loans, including the Commodity Loan and the Debt Relief Loan referred to at (a) and (b) above are to be repaid alongwith interest in accordance with the terms of the respective Loan Agreements by 2004 A.D

Shortage of Newsprint and Paper

1605. SHRI MUKHTIAR SINGH MALIK:
SHRI BIRENDER SINGH RAO:

Will the Minister of COMMERCE be pleased to state:

(a) whether the present shortage of Newsprint and other quality of paper is due to the wrong policies of the State Trading Corporation; and

(b) if so, the steps taken to ensure supply of required quantity of paper to the various users?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI VISHWANATH PRATAP SINGH): (a) There is at present no shortage of newsprint in the country. STC does not handle import of quality paper.

(b) To meet the requirements of various users of newsprint during the year 1975-76 the STC has already concluded firm contracts with foreign suppliers.

विदर्भ और मध्य प्रदेश के सीमा-शुल्क और उत्पादन शुल्क विभागों के अधिकारियों की पदोन्नति

1606 श्री हुकम चन्द कछवाय क्या वित्त मन्त्री यह बताने की कृपा करेंगे कि

(क) क्या विदर्भ तथा मध्य प्रदेश के सीमा-शुल्क और उत्पाद-शुल्क विभागों के कुछ ऐसे अधिकारियों को दण्ड देने के बजाय पदोन्नति कर दिया गया है जिनके विरुद्ध शिकायतें की गई थीं, और

(ख) यदि हां, तो ऐसे अधिकारी कितने हैं ?

वित्त मंत्रालय में राज्य मंत्री (श्री प्रणब कुमार मुखर्जी) (क) जी, नहीं। बहरहाल किसी अधिकारी की पदोन्नति केवल इस कारण रोकी नहीं जाती है कि उसके खिलाफ कोई शिकायत है। लेकिन, जहां शिकायतों की प्रारम्भिक जांच करने पर प्रथम दृष्टया ऐसा मामला बनता है जिसमें विभागीय कार्यवाही अपेक्षित होती हो, वहां पदोन्नतियां रोक दी जाती हैं।

(ख) यह प्रश्न नहीं उठता।

Increase in Prices of Yarn

1607 SHRI M KATHAMUTHU Will the Minister of COMMERCE be pleased to state

(a) whether the prices of yarn have increased considerably during the last two months,

(b) whether Government are aware that most of the handloom weavers in South India have closed their operations due to this reason, and

(c) if so, the steps being taken to control the prices of the yarn?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI VISHWANATH PRATAP SINGH) (a) There has been some increase in the price of hank yarn during the months of December 1974 and January 1975 but has again declined during the month of February, 1975 There has been a gradual decrease in the price of cone yarn since September, 1974

(b) No such information has been received by Government

(c) Does not arise

Decline in the Prices of Fibre and Textile Yarn

1608 SHRI H K L BHAGAT Will the Minister of COMMERCE be pleased to state

(a) whether the prices of fibre and textile yarn have declined during the last three months, and

(b) if so, the extent of decline and the reasons therefor?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI VISHWANATH PRATAP SINGH): (a) and (b) Except for January, 1975 there has been no decline in the prices of fibres and textile yarns during the last three months Actually, the overall trend has been towards recovery in prices

Export of Iron Ore by Private Parties

1609 SHRI ARJUN SETHI Will the Minister of COMMERCE be pleased to state whether Government allow private parties to export iron ore to foreign countries and whether exception has been made in some cases?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI VISHWANATH PRATAP SINGH) Export of iron ore is canalised through Minerals and Metals Trading Corporation of India Ltd, except that Goan Shippers are allowed to export iron ore of Goan origin direct at prices approved by the Government

Tourist material about Gujarat

1610 SHRI ARVIND M PATEL
SHRI D P JADEJA

Will the Minister of TOURISM AND CIVIL AVIATION be pleased to state

(a) whether India Tourism Development Corporation has published any tourist material, including maps, guide books, folders and pamphlets about the tourist spots in Gujarat; and

(b) if so, the particulars thereof?

THE MINISTER OF STATE IN THE MINISTRY OF TOURISM AND CIVIL AVIATION (SHRI SURENDRA PAL SINGH): (a) and (b). The State of Gujarat appears in the undermentioned tourism publicity

material produced by India Tourism Development Corporation:—

(i) Folders entitled 'Discover India', 'This is India', 'The Right Place', 'The Bombay and the West'.

(ii) Brochure on Sound and Light show at Sabarmati Ashram.

(iii) Picture post cards on 'Gir Forest'.

(iv) Brochure on 'Wild-life' (under print).

(2) News letter 'Yatri' carried features on Gir Sanctuary and Nalsarovar in two issues. A special issue of 'Yatri' under production gives detailed travel information about Gujarat.

(3) In the regular production programme of directories of tourist information for the Department of Tourism, the Corporation have publications covering the following destinations in Gujarat:—

(a) Ahmedabad-Gandhinagar (including Mehsana-Modhera).

(b) Rajkot-Jamnagar-Dwarka.

(c) Porbandar-junagadh-Somnath.

(d) Bhavnagar-Palitana.

Setting up of Spinning Mills

1611. SHRI ANNASAHEB GOTKHINDE: Will the Minister of COMMERCE be pleased to state:

(a) the applications, alongwith their names and locations, for issue of licences for setting up spinning mills (units) in the Co-operative sector, recommended by the State Government of Maharashtra to Government;

(b) the number of cases, alongwith their names and locations, in which licences/letters of intent have been granted;

(c) the applications, alongwith their names and locations, rejected and the reasons for rejection, separately;

(d) whether the State Government has requested the Government to reconsider the applications, which have been rejected, after the licensing policy for cotton textile, for the Fifth Plan period is finally settled; and

(e) if so, the reaction of Government thereto?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI VISHWANATH PRATAP SINGH): (a) and (b). Only three applications duly recommended by the Government of Maharashtra were received during the Fourth Plan Period for setting up new Spinning units in the co-operative sector. In all the three cases industrial licences were issued. The details are given below:—

Name of the Party	Location	Number of spindles
Deccan Coop. Spg. Mills Ltd. Ichalakaranji	Kolhapur	25,000
Kolhapur Zilla Sahkari Vinkar Soot Girni Ltd., Ichalakaranji.	Kolhapur	25,000
The Ichalakaranji Coop Spg. Mills Ltd., Kolhapur.	Ichalakaranji	25,000

(c) to (e). Do not arise.

Impact on India's Trade due to Cut in Direct Taxes by U.S.A.

1612. SHRI K. M. MADHUKAR: Will the Minister of COMMERCE be pleased to state:

(a) whether United States of America have cut its direct taxes; and

(b) if so, its impact on India's trade with that country?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI VISHWANATH PRATAP SINGH): (a) No, Sir.

(b) Does not arise.

Setting up of Food Testing Laboratory in Hotels by I.T.D.C.

1613. SHRI S. A. MURUGANANTHAM: Will the Minister of TOURISM AND CIVIL AVIATION be pleased to state:

(a) whether India Tourism Development Corporation has a proposal under consideration for setting up a food testing laboratory in its hotels; and

(b) if so, the broad outlines thereof and the steps being taken in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF TOURISM AND CIVIL AVIATION (SHRI SURENDRA PAL SINGH): (a) and (b). The Ashoka Hotel, New Delhi, a unit of India Tourism Development Corporation, is considering a proposal for setting up a food testing laboratory. The Director General of Health Services whose advice was sought in the matter has suggested the equipment and staff required for setting up of the laboratory.

Ban on Export of Quota Items to Nepal

1614. SHRI R. S. PANDEY: Will the Minister of COMMERCE be pleased to state:

(a) whether Government have decided to impose ban on export of quota items to Nepal; and

(b) if so, the reasons therefor?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI VISHWANATH PRATAP SINGH): (a) No, Sir.

(b) Does not arise.

Export Target

1615. SHRI M. V. KRISHNAPPA:

SHRI JHARKHANDE RAI:

SHRI D. D. DESAI:

SHRI RAGHUNANDANLAL BHATIA:

SHRI P. GANGADEB:

SHRI SHRIKISHAN MODI:

Will the Minister of COMMERCE be pleased to state:

(a) whether Government are considering to have 100 per cent increase in export target;

(b) if so, the period in which this would be achieved;

(c) whether this would help in filling the balance of trade gap; and

(d) if so, whether this would also wipe out the deficit in the national economy?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI VISHWANATH PRATAP SINGH): (a) to (d). In his opening speech to the 7th meeting of the Advisory Council on Trade on the 26th December, 1974, the Commerce Minister had stated that bearing in mind the high opportunity cost of earning foreign exchange and in order to create conditions of a healthy balance of payments in the long run, an increase of over 100 per cent in exports would deserve careful consideration.

छत्रपति शिवाजी से सम्बद्ध स्थलों का पर्यटकों के लिये विकास

1616 **श्री अम्बेश** क्या पर्यटन और नागर विमानन मंत्री यह बताने की कृपा करेंगे कि

(क) क्या छत्रपति शिवाजी के जन्म और उनकी अन्य गतिविधियों से सम्बद्ध प्रसिद्ध ऐतिहासिक स्थलों की ओर पर्यटकों को आकर्षित करने की दृष्टि से सरकार ने उन स्थानों के विकास की कोई योजना तैयार की है, और

(ख) यदि हां, तो तत्सम्बन्धी मुख्य बातें क्या हैं ?

पर्यटन और नागर विमानन मंत्रालय में राज्य मंत्री (श्री सुरेन्द्र पाल सिंह) (क) और (ख) साधनों पर लगे वर्तमान प्रतिबन्धों के कारण, भारत सरकार के लिए छत्रपति शिवाजी के जीवन से सम्बन्धित ऐतिहासिक स्थानों के विकास के लिए कोई स्कीम प्रारम्भ करना सम्भव नहीं है । राज्य सरकार से उनकी पर्यटन विकास योजना के अन्तर्गत इन स्थानों के, विशेष कर के इनके अन्तर्देशीय पर्यटकों के लिए इनके आकर्षण को दृष्टि में रखते हुए, विकास के लिए कहा जा रहा है ।

Subjects discussed in IMF's Meeting

1617 SHRI D D DESAI
SHRI RAGHUNANDANLAL BHATIA:
SHRI P. GANGADEB·
SHRI SHRIKISHAN MODI:

Will the Minister of FINANCE be pleased to state:

(a) whether he attended the International Monetary Fund meetings in January, 1975 at Washington;

(b) if so, the subjects discussed therein;

(c) whether India had opposed diversion of soft IDA credits to enable all nations to meet balance of payments deficits;

(d) if so, the reaction of other countries thereto, and

(e) whether India had put forward any other suggestions and if so, what?

THE MINISTER OF FINANCE (SHRI C SUBRAMANIAM): (a) Yes, Sir

(b) The Interim Committee had discussed the world economic outlook and against this background the international adjustment process It agreed that the Oil Facility should be continued for 1975 on an enlarged basis It emphasised the need for decisive action to help the most seriously affected developing countries It also considered questions relating to the sixth general review of the quotas of members. It had also discussed a possible amendment that would establish a link between allocations of SDRs and development finance

(c) No, Sir

(d) and (e) Do not arise

Payment of Overtime in Production Section of Security Paper Mill, Hoshangabad

1618 SHRI NITIRAJ SINGH CHAUDHARY. Will the Minister of FINANCE be pleased to state:

(a) whether overtime payments were stopped in production section of Security Paper Mill, Hoshangabad but were continued in Central Section, Security Branch, General Stores and Administrative Sections; and

(b) if so, the reasons for this discrimination?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PRANAB KUMAR MUKHERJEE): (a) No, Sir.

(b). Does not arise.

Decline in Value of Rupee

1619. SHRI VAYALAR RAVI: Will the Minister of FINANCE be pleased to state:

(a) the percentage of decline in the value of the Rupee in the first ten months of the year 1974-75 and how does it compare with the percentage of shrinking of the value of the rupee in the corresponding period of the last two years; and

(b) how far have the recent economic measures taken by Government stabilised the value of the rupee and the nature of further steps Government propose to take in that direction?

THE MINISTER OF FINANCE (SHRI C. SUBRAMANIAM): (a) The purchasing power of the rupee declined by 15.7 per cent between March 1974 and December 1974 (latest available). The corresponding figures for 1973 and 1972 are 16.8 per cent and 7.6 per cent respectively.

(b) As a result of the measures taken in recent months, the purchasing power of the rupee has risen by 2.7 per cent between October and December 1974.

Proposal to charge International Prices on Coal and Cement exported to Nepal

1620. SHRI K. MALLANNA:
SHRI M. S. PURTY:

Will the Minister of COMMERCE be pleased to state:

(a) whether Indian Government propose to charge International prices on items like coal and cement which it exports to Nepal;

(b) if so, whether the Government of Nepal has been importing items from India at domestic prices which are much lower than the international prices and has been making payment in rupees; and

(c) the reaction of Nepal Government thereon?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI VISHWANATH PRATAP SINGH): (a) to (c). Nepal has been importing coal and cement at domestic prices against payment in rupees. The world prices of both these commodities are higher than our domestic prices. The question of prices for the ensuing period is under consideration.

Bank Employees working for Political Party

1621. SHRI RAJ DEO SINGH: Will the Minister of FINANCE be pleased to state:

(a) whether the Chairman of the Coordination Committee of the National Union of Bank Employees and the Indian bank employees congress have disclosed that banks lose about Rs. 7.5 crores annually on 5,000 employees who were on Bank payroll but were really working full time for a political party;

(b) whether this is because that many office bearers of many bank unions were supposed to be 'released' for union work but actually work during office time for a political party which controlled their union; and

(c) if so, what steps Government propose to stop this drain in the name of union work?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRIMATI SUSHILA ROHATGI): (a) to (c). In accordance with the Bipartite Settlements and understandings with Unions that have developed over the

years, both in the nationalised banks as well as the State Bank of India and its subsidiaries, a limited number of employees of the respective banks are released for Trade Union Work on full-time/part-time basis. Unions belonging to both the All India Bank Employees Association and the National Union of Bank Employees, are enjoying these facilities in the banks where they are in a majority. The number of persons released for full-time Trade Union work in public sector banks and the amount of expenditure incurred on them by these banks are being separately collected to the extent possible and will be laid on the Table of the House.

Public sector banks have reported that none of their employees has been released to work for any political party.

Investment Policy of L.I.C. in regard to Larger Industrial Houses

1622. SHRI SHASHI BHUSHAN: Will the Minister of FINANCE be pleased to state:

(a) the investment policy of the Life Insurance Corporation in regard to larger industrial houses;

(b) what has been the total investment of the Life Insurance Corporation in the ten largest business groups during the last three years; and

(c) whether the Corporation has taken a decision to raise higher its investment in the large industrial houses?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRIMATI SUSHILA ROHATGI): (a). According to the revised investment policy, the LIC can invest not more than 10 per cent of accretions to its controlled fund in a year in the private sector as a whole. The LIC has been advised to make more conscious effort to seek sound investment outlets in the medium scale sector. Subject to the above, the LIC invests its funds in concerns belonging to Large Industrial Houses and also in others. While making investments in the private corporate sector, the main emphasis is on the safety of the capital and the yield obtainable therefrom.

(b).The position of LIC's investments in the ten largest business groups during the last three years was as under:

As at 31st March	Rs. in crores
1972	94 47
1973	98 66
1974	102 26

(c) No, Sir.

Rates of interest for deposits announced by Banks and Private Business Firms

1623. SHRI BHAGATRAM MANHAR: Will the Minister of FINANCE be pleased to state:

(a) whether the banks and private business firms have announced attractive rates of interest ranging from 12 per cent to 35 per cent for the depositors;

(b) whether the rates of interest offered under the General Provident Fund for Central Government employees and also to depositors under the Postal Department's CTD and other schemes are disproportionately low; and

(c) what steps Government propose to remedy the anomaly?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRIMATI SUSHILA ROHATGI): (a) The rates of interest on deposits paid

by major commercial banks with effect from 23rd July, 1974, are as follows:—

Period	Rate of interest
1 year and above but less than 3 years	8%
3 years and above but up to & inclusive of 5 years	9%
Over 5 years	10%

The rates of interest recently offered by non-banking companies on public deposits, which are unsecured, generally range from 9 5 per cent to 15 per cent on deposits for a period of 1 year and 12 5 per cent to 16 per cent on deposits for periods over 5 years

(b) and (c) The rate of interest paid on Post-Office Cumulative Time Deposits with effect from 23rd July, 1974 is 6 25 per cent while the rates of interest paid on Post-Office Time Deposits with effect from 23rd July, 1974 are as follows —

Period	Rate of interest
1 year	8%
2 years	8 5%
3 years	9%
5 years	10

The above-mentioned rates are comparable with the rates of interest paid by banks as mentioned in reply to part (a) above

While the deposits with banks and Post-Office and the interest earned on them are eligible for certain wealth tax and income tax concessions, the deposits with non-banking companies and the interest earned on them are not so eligible

The rates of interest paid on General Provident Fund accumulations are 7.5 per cent on balances up to Rs. 25,000 and 7 per cent on balances in excess of excess of Rs 25,000 These rates cannot be considered as disproportionately low in the context of other amenities available to the subscribers to the General Provident Fund.

इंजीनियरी के सामान का निर्यात

1624 **श्री मूल चन्द डागा :** क्या वाणिज्य मन्त्री यह बताने की कृपा करेंगे कि

(क) क्रमश वर्ष 1972, 1973 और 1974 मे इजीनियरी का क्या क्या और कितने कितने मूल्य का सामान भारत द्वारा विदेशो का निर्यात किया गया,

(ख) क्या इन देशो मे इजीनियरी के सामान की और अधिक माग है, जिसे भारत पूरा करने की स्थिति मे नही है और यदि हा, तो इसके क्या कारण है, और

(ग) क्या सरकार ऐसे सामान का निर्यात करने वाले उद्योगो को सम्पूर्ण कच्चा माल उपलब्ध करती है और उन्हें इस बारे मे नवीनतम तकनीकी ज्ञान भी उपलब्ध किया जाता है और यदि हा, तो इस कार्य मे लगी एजेंसियो के नाम क्या हैं और उन पर प्रतिवर्ष क्या खर्च होता है ?

वाणिज्य मंत्रालय में उपमंत्री (श्री विश्वनाथ प्रताप सिंह) (क) इजीनियरी माल के निर्यातो के मूल्य के आकडे वित्तीय वर्ष-वार रखे जाते है एक विवरण सलग्न है जिसमे 1972–73 मे और उसके बाद निर्यातित इजीनियरी माल का मूल्य तथा श्रेणिया दर्शाई गई हैं ।

(ख) इजीनियरी माल, विशेषत पूजीगत माल, की माग सामान्यत बढ रही है और इस माग का देश की उत्पादन क्षमता द्वारा ही पूरा किया जा रहा है, तथापि उत्पादन कार्यक्रम को बढाने के मार्ग मे कुछ बाधाए हैं जो जो मुख्यत अनेक राज्यो मे बिजली की कटौती, अपर्याप्त ऋण प्राप्यता आदि के कारण है ।

(मूल्य लाख रु० में)

मद का नाम	1972–73	1973–74	1974–75 (अनन्तिम) (अप्रैल-नव० 1974)
क पूंजीगत माल			
1 औद्योगिक सन्यन्त्र तथा मशीनरी .	1146 10	1439 63	1187 20
2. बिजली का भारी सामान . .	460 45	605 36	602 26
3. इस्पात के ढांचे (फैब्रिक्टेड) .	1093 30	1126 41	810 67
4 तार तथा केबल . .	1256 62	1153 69	882 74
5 माल डिब्बे, कोच, मघटक तथा रेल ट्रक सामग्री	414 79	617 14	167 13
6 पूर्ण गाडिया .	892 78	613 10	516 12
ख. उत्पादक तथा उपभोक्ता माल			
1 मूल इस्पात तथा कच्चा लोहा आधारित मदे .	2732 48	4101 44	4974 84
2 अलौह उत्पाद	536 07	914 67	640 64
3. अन्य .	5575 24	7139 14	7068 40

Launches and Vessels Seized from Smugglers

1625 SHRI SAT PAL KAPUR Will the Minister of FINANCE be pleased to state

(a) how many launches and other such vessels belonging to smugglers were confiscated by the Bombay customs, and

(b) the uses to which such confiscated launches and vessels are being put to?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PRANAB KUMAR MUKHERJEE): (a) 192 launches and other vessels were confiscated by the Bombay Customs from 1st January, 1970 to 31st January, 1975

(b) In many cases confiscated vessels are allowed to be redeemed on payment of fines in lieu of confiscation Vessels not redeemed are sold by public auction Some vessels which are found fit and useful are appropriated for anti-smuggling work.

Trade Relations with Mauritius

1626 SHRI NIMBALKAR Will the Minister of COMMERCE be pleased to state:

(a) whether Government proposed to increase its trade relations with Mauritius; and

(b) if so, the steps being taken in that direction?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI VISHWANATH PRATAP SINGH). (a). Yes, Sir.

(b) There has been an exchange of delegations between the two countries India is also participating in several joint ventures in Mauritius India has also extended credit worth Rs 50 million which will be utilised for procurement of equipment from India

Sizing Machines Lying Unsold by S.T.C

1627 PROF MADHU DANDAVATE Will the Minister of COMMERCE be pleased to state

(a) whether sizing machines imported from Japan lying unsold for eight year are being sold in an auction by the State Trading Corporation,

(b) if so the particulars of the purchases with prices number of machines and accessories,

(c) likely loss due to sale in auction, and

(d) whether Government propose to hold enquiry into this affair?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI VISHWANATH PRATAP SINGH) (a) The State Trading Corporation is taking measures to sell sizing machines by inviting offers through Public Notice

(b) The purchase price of six sizing machines with accessories imported in 1965 was Rs 43 lakhs

(c) Does not arise, as the machines have still not been sold

(d) Does not arise at this stage

Flying Clubs and Civil Aviation Centres

1628 SHRI MOHANRAJ KALINGARAYAR Will the Minister of TOURISM AND CIVIL AVIATION be pleased to state:

(a) the number of Flying Clubs and Civil Aviation Centres in the country in 1974-75,

(b) the number of pilots trained in these clubs and centres during the year 1974-75 and

(c) the average amount of money spent by Government on training of each of these pilots and the average expenditure incurred by each pilot during the period of training?

THE MINISTER OF STATE IN THE MINISTRY OF TOURISM AND CIVIL AVIATION (SHRI SURENDRA PAL SINGH) (a) There are 23 Flying Clubs and 3 Flying Training Schools.

(b) The number of trainees who obtained Private Pilot's Licences and Commercial Pilot's Licence during the period 1-4-1974 to 1-1-1975 is 61 and 1 respectively

(c) On the basis that a Private Pilot's Licence requires 50 hours of flying and a Commercial Pilot's Licence 200 hours the fees payable by the trainees and the subvention payable by Government at the existing rates would be as under

	Fees payable by trainees	Flying subvention payable by Government
	Rs	Rs
FOR PRIVATE PILOT'S LICENCE		
Matriculates below 22 years of age	1,680	5,610
Others	2,700	4,590
FOR COMMERCIAL PILOT'S LICENCE		
Matriculates below 22 years of age	24,766	5,610
Others	25,785	4,590

NOTE 1 Effective from 1st April, 1971 subsidised flying at the clubs has been restricted to 60 hours per trainee (*i.e.* up-to Private Pilot's Licence

standard). As such, trainees for Commercial Pilot's Licence at the clubs have to pay fees at the full rate for all flying done in excess of this.

2. Due to heavy increase in petrol prices in November, 1973, the flying clubs have been authorised to charge an additional fee of Rs. 25 per flying hours from the trainees. The above figures do not take into account this increase.

Loss Suffered by Air India

1629. SHRI B. S. BHAURA: Will the Minister of TOURISM AND CIVIL AVIATION be pleased to state:

(a) whether Air India has suffered a huge loss during the year 1974-75;

(b) if so, the particulars thereof and the reasons therefor; and

(c) the names of the routes which operated on loss during the above period?

THE MINISTER OF STATE IN THE MINISTRY OF TOURISM AND CIVIL AVIATION (SHRI SURENDRA PAL SINGH): (a) to (c). As a consequence of the illegal strike by the line pilots of Air-India which lasted for three months from August to October, 1974 and its after effects and steep increase in the price of aviation fuel, almost all the routes operated by Air-India are expected to show a loss during the year 1974-75. According to available estimates, loss during 1974-75 is expected to be of the order of Rs. 12 crores.

Raids by Income Tax Authorities in Gujarat

1630. SHRI P. M. MEHTA: Will the Minister of FINANCE be pleased to state:

(a) whether the Income Tax Authorities attached 7.5 kgs of gold ornaments, valued at about Rs. 3.75 lakhs and seized primary gold in five bank lockers belonging to a flour mill at Dohad in Godhra district in Ahmedabad on the 12th January, 1975;

(b) whether on January 4, 1975, Income Tax officials sealed eight godowns and 13 bank lockers of the three partners of firms dealing in petroleum products and tubes during simultaneous raids on their business premises and residence at Bhavnagar, Hahuva, Savarkundia and Rajkot in Gujarat State;

(c) if so, the particulars of the raids and what steps have been taken against the persons held responsible; and

(d) the total number of raids conducted in the month of January, 1975 in the State and total value of gold and cash seized during these raids in Gujarat?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PRANAB KUMAR MUKHERJEE): (a) A search and seizure operation was commenced on 10th January, 1975 in the case of a firm of Dohad carrying on business of manufacture of Maida and Suji etc.

Prohibitory order under section 132(3) of the Income-tax Act 1961 has been served in respect of the gold ornaments found which weighed 7.38 kg and which were valued at Rs. 3.75 lakhs. Primary gold found was seized and handed over to the Central Excise authorities.

(b) and (c). Searches under section 132 of the Act were commenced on 3rd January, 1975 at the business premises of various firms dealing in tyres, tubes, automobile parts, diesel oil etc., their godowns, residential premises of the partners and lockers.

The following assets were seized:—

(Rs. in thousands)

Cash	..	82
Jewellery	..	572

Inventory of stock in the godowns was taken Proceedings for passing orders under section 132(5) of the Act for estimating the undisclosed income in a summary manner and for retaining the seized assets to satisfy the tax calculated thereon and the existing liabilities under the Direct Tax Acts, if any, have been initiated in all the cases.

(d) During the month of January, 1975, the Income Tax Department conducted 15 searches in Gujarat resulting in seizure of cash and jewellery as under

	(Rs in lakhs)
Cash	1 07
Jewellery	9 99

DA to Central Government Employees

1631 SHRI JYOTIRMOY BOSU Will the Minister of FINANCE be pleased to state

(a) how many instalments of D A to the Central Government staff have fallen due, and total cost involved,

(b) whether Government have not yet taken any decision in this regard, if so, what are the reasons for this indecision,

(c) on what grounds are Government hesitating to pay dearness allowance due to the employees in cash,

(d) when a final decision on the same is expected to be taken, and

(e) whether the Central Government staff have started agitation; and if so, Government's reaction therto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PRANAB KUMAR MUKHERJEE): (a) and (b). The Third Pay Commission recommended the grant of dearness allowance to Central Government employees for every 8-point increase in the 12-monthly average of All India Consumer Price Index for Industrial Workers (1960=100) above 200 They further recommended that should the price level rise above the 12-monthly average of 272, Government should review the position and decide whether the dearness allowance scheme should be extended further or the pay scales themselves should be revised Nine instalments of dearness allowance have already been sanctioned, the last one being effective from 1-9-1974 when the index average was 272 A review is now being made in terms of the Pay Commission's recommendations regarding the continuance of the dearness allowance scheme beyond the 272 level Thus the entire dearness allowance due in terms of the Third Pay Commission s recommendations has been sanctioned The cost of the nine instalments sanctioned is about Rs. 468 crores in a full year

(c) and (d) The dearness allowance due is being paid in cash except that portion which is required to be deposited in accordance with the Additional Emoluments (Compulsory Deposit) Act, 1974 The arrears on account of the last three instalments up to 31st December, 1974 are also being held in special deposit in the Provident Fund accounts

(e) Though a section of the employees has expressed dissatisfaction with the recent decisions regarding the release of the three additional instalments, the decisions have generally been well received

Memorandum Submitted by Small and Medium Scale Industries, West Bengal

1632, DR RANEN SEN Will the Minister of FINANCE be pleased to state

(a) whether the federation of Small and Medium Scale Industries, West Bengal has submitted a memorandum

to the Union Minister of State for Finance on the line of credit squeeze to small units; and

(b) if so, the main points thereof and Government's response thereto?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRIMATI SUSHILA ROHATGI). (a). Yes, Sir.

(b) In the Memorandum submitted by the Federation of Small and Medium Industries, West Bengal, the Federation has referred *inter-alia*, to broader question of credit restrictions and their possible impact on the small and medium industries and has suggested that credit policy should be based on the norms of viability of units and the integrity of entrepreneurs The Federation has also made the point that while larger industries are being extended credit for diversification and expansion, the small scale sector is deprived of such facilities on the grounds of security

While formulating credit policy and during its implementation by the banks due regard is paid to the various aspects listed in the Memorandum. Individual complaints about hardship caused by the policy are also looked into in consultation with the concerned bank, with a view to taking such remedial action as may be necessary

Bank Credit to Commercial Sector and Food Procurement during current Busy Season

1633. SHRIMATI ROZA DESHPANDE: Will the Minister of FINANCE be pleased to state

(a) whether the Reserve Bank of India expect the credit demand during the current busy season to be less than in the last busy season; and

(b) if so, the expansion of bank credit to the commercial sector as well as food procurement during the current busy season and during the same period of last year?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRIMATI SUSHILA ROHATGI): (a) and (b). The Reserve Bank's credit policy for the current busy season calls for continuation of restraint on credit expansion The actual increase in credit would depend, among other things, on the increase in deposits during this period. During the current busy season, upto 31st January, 1975, the increase in gross bank credit, including bills rediscounted with Reserve Bank, was Rs 497 crores as compared to Rs 675 crores during the corresponding period of the 1973-74 busy season. Of the total increase the increase in public food procurement credit was Rs 107 crores compared to Rs 154 crores during the corresponding period of the 1973 74 busy season

Export of Tea during 1974-75

1634 SHRI Y. ESWARA REDDY Will the Minister of COMMERCE be pleased to state.

(a) whether the export of tea has increased during the current financial year, and

(b) if so, the quantity and value of export during the year 1974-75 so far and during the corresponding period of the last year?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI VISHWANATH PRATAP SINGH):

(a) Yes, Sir.

(b) Export of tea from India during 1974-75 (April—October, '74) was 123 30 m.kgs. valued at Rs. 110.09 crores compared to 105.30 m.kgs. valued at Rs. 33.09 crores during same period of 1973.

विदेशों में रह रहे भारतीयों को भारत में आने पर लाई गई वस्तुओं पर सीमा-शुल्क के भुगतान से छूट

1635. श्री राम प्रकाश : क्या वित्त मन्त्री यह बताने की कृपा करेंगे कि :

(क) क्या कोई ऐसा प्रस्ताव केन्द्रीय सरकार के विचाराधीन है जिसके अन्तर्गत विदेशों में आने वाले भारतीय दैनिक प्रयोग की कम मूल्य की वस्तुओं पर सीमा शुल्क के भुगतान से छूट प्राप्त कर सकेंगे,

(ख) क्या सरकार विदेशों में रहने वाले भारतीयों को ट्रैक्टर अथवा कोई अन्य मशीनरी भारत में भेजने के प्रश्न पर गहनतापूर्वक विचार कर रही है जिससे कि वे अपनी पूंजी भारत ला सकें, और

(ग) यदि हां, तो उसका ब्यौरा क्या है।

वित्त मन्त्रालय में राज्य मन्त्री (श्री प्रणब कुमार मुखर्जी) : (क) विदेशों से आने वाले भारतीयों को (जबाहरात और कलाई घड़ी को छोड़कर) अपने रहने की इस्तेमाल की गयी वस्तुओं और जीवन की दैनिक आवश्यकताओं की पूर्ति के लिए व्यक्तिगत उपयोग में लाई जा रही वस्तुओं के सीमा-शुल्क की अदायगी किये बिना आयात करने की सुविधा पहले ही उपलब्ध है,

(ख) और (ग) 1974-75 के लिए आयात व्यापार नियन्त्रण नीति के खण्ड 1, भाग 1, पैराग्राफ 163 में पहले ही एक व्यवस्था है जिसके अन्तर्गत, विदेशों में वापस लौटने वाले अथवा विदेशों में रह रहे जो भारतीय राष्ट्रिक, भारत में लघु-उद्योग स्थापित करना चाहें, वे कुछ शर्तों के अधीन मशीनरी का आयात कर सकते हैं।

जहां तक ट्रैक्टरों के आयात का सम्बन्ध है, इस बात को देखते हुए कि देश में ट्रैक्टरों के निर्माण की स्थिति में भारी सुधार हुआ है, विदेशों से भेजी जाने वाली विदेशी मुद्रा के प्रति कृषि उपयोगी ट्रैक्टरों की प्राथमिकता के आधार पर आवटन करने की एक योजना 1 फरवरी, 1975 से चालू की गयी है।

Dissatisfaction of Central Staff on Three Instalments of Dearness Allowance

1636 SHRI M. RAM GOPAL REDDY:

SHRI D. P. JADEJA:

SHRI VEKARIA:

Will the Minister of FINANCE be pleased to state.

(a) whether Government's attention has been drawn to the reported dissatisfaction of the Central Government employee to the announcement of three D A instalments,

(b) whether the employees have submitted any memorandum in this regard and

(c) what is the reaction of Government thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PRANAB KUMAR MUKHERJEE)

(a) and (b) Reports that some sections of Central Government employees are not satisfied with the recent decision regarding the sanction of three additional instalments of dearness allowance have come to notice Some communications have also been received in this connection

(c) As the decisions were taken after talks with the representatives of the employees and have generally been well received, no further action in the matter is being taken

Foreign tours of Central Ministers

1637. SHRI C T DHANDAPANI: Will the Minister of FINANCE be pleased to state.

(a) the total amount spent on foreign tours of different Ministers during the year 1974-75;

(b) the purpose of such visits by the Ministers; and

(c) the results of the tours?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PRANAB KUMAR MUKHERJEE):

(a) to (c) The requisite information for the period 1st April, 1974 to 20th February, 1975 is being collected and will be laid on the Table of the House as soon as available.

Closure of Cashew Factories

1638. SHRI D. B. CHANDRAGOWDA:

SHRI VAYALAR RAVI:

Will the Minister of COMMERCE be pleased to state:

(a) whether the Cashew Kernal Industry is facing a grave crisis for want of raw nuts, a major portion of which is being imported from African countries;

(b) whether out of 240 factories in the four Southern States, 96 units have been closed down, the others are in the process of being closed down one after the other; and

(c) if so, the main features of the policy of Government in this regard?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI VISHWANATH PRATAP SINGH):

(a) Yes. There are problems in importing requisite amount of cashew nuts.

(b) As the availability of raw cashew nuts is not enough to meet the requirement of cashew processing industry, partial and periodic closure of some of the units is a normal feature of the industry. This position has been aggravated this year because arrangements for import of raw nuts from some of the African countries have not been finalised.

(c) Arrangements has already been made with Kenya for supply of cashew nuts and negotiations with Tanzania and Mozambique are in progress. A delegation from Tanzania and Mozambique is expected in early March, 1975, when all attempts will be made to resume early supply of raw nuts for the industry.

Separately steps are also being taken to increase indigenous production through various schemes including plantation in new areas. These are, however, long gestation projects.

Loan advanced by LIC for Development Projects in Faizabad District of U.P.

1639. SHRI R. K. SINHA: Will the Minister of FINANCE be pleased to state:

(a) the total amount the Life Insurance Corporation of India advanced to various agencies for different development projects in Faizabad district of Uttar Pradesh during the last three years, year-wise and upto 31st January, 1975;

(b) whether the said amount has been properly utilised and if not, the the particulars thereof and steps taken to ensure its prompt and proper utilization; and

(c) the development projects in Faizabad district of Uttar Pradesh where the LIC proposes to advance money during the last quarter of 1974-75 and during 1975-76 and the amount thereof for each project?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRIMATI SUSHILA ROHATGI). (a)

During the last three financial years and upto 31st January, 1975, following loans were advanced by the LIC to Local Bodies in Faizabad District of Uttar Pradesh for financing their water supply & Sewerage Schemes:

Year	Name of the Local Body	Rs.
1971-72	..	Nil
1972-73	Gosaigang	18,000
Do.	Jalalpur	37,000
	Total	55,000
1973-74	Gosaigang	11,000
Do.	Jalalpur	18,000
	Total	29,000
1-4-1974 to 31-1-1975		Nil

(b) From the information furnished to LIC, it is noticed that the above loans have been utilised for the execution of the water supply schemes of the concerned Local Bodies

(c) Loans are likely to be disbursed as under in Faizabad District of Uttar Pradesh during the last quarter of 1974 75 —

Name of the Municipality	Amount
	Rs
Gosaigang	20,000
Jalalpur	40,000
Total	60,000

LIC has recently received one proposal for sanction of term loan aggregating to Rs. 280.75 lakhs for setting up a Spinning Mill at Akbarpur in District Faizabad. This proposal is under scrutiny jointly with other financial institutions.

Setting up of middle class tourist hotels

1640 SHRI R P ULAGANAMBI: Will the Minister of TOURISM AND AND CIVIL AVIATION be pleased to state:

(a) whether Government propose to set up more 'Middle Class Tourist Hotels' in the country, and

(b) if so, the places where these hotels are likely to be set up?

THE MINISTER OF STATE IN THE MINISTRY OF TOURISM AND CIVIL AVIATION (SHRI SURENDRA PAL SINGH) (a) Yes, Sir.

(b) Subject to availability of funds, lifting the ban on use of cement and satisfactory feasibility studies, India Tourism Development Corporation proposes to commence work on hotels at Siliguri, Chandigarh and Pondicherry during 1975.

Visit of Indian Trade team to Korea

1641. SHRI BANAMALI BABU: Will the Minister of COMMERCE be pleased to state:

(a) whether the Indian Trade Team visited Korea during February, this year;

(b) whether any agreements were entered into between the two countries to increase the trade; and

(c) if so, the main features thereof?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI VISHWANATH PRATAP SINGH): (a) and (b). Yes, Sir.

(c) The Indo-DPRK trade protocol for 1975 envisages a total two way trade turnover of Rs 38 crores during 1975. According to his protocol, India will export to DPRK several non-traditional items such as

Tyres and Tubes, various chemicals machineries, bearings, wire ropes, etc., and will import urea, zinc, steel and steel products, magnesia clinker and other industrial raw materials.

Steps to protect Indian Economy from Recession in Europe

1642. SHRI NOORUL HUDA: Will the Minister of FINANCE be pleased to state:

(a) whether Government have seen press reports to the effect that serious slumps and grave economic disarrays are likely to occur in capitalist part of Europe in 1975; and

(b) what steps are Government taking to protect our economy from the possible effects of such an eventuality?

THE MINISTER OF FINANCE (SHRI C. SUBRAMANIAM): (a) Yes Sir. The Government are aware of the Reports and forecasts concerning the economic outlook in European countries.

(b) Recessionary trends in the European countries could affect the growth of India's exports to these countries. However, every effort is being made to improve the competitiveness of our exports so as to withstand the effects of recession.

Slumps in Brass and Artware Market

1643 SHRI ISHAQUE SAMBHALI: Will the Minister of COMMERCE be pleased to state:

(a) whether due to lack of fresh export orders a slump has engulfed the brass and artware market in the country, and

(b) if so, the reasons therefor?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI VISHWANATH PRATAP SINGH). (a) No, Sir.

(b) Does not arise.

Industrial climate of West Bengal

1644. SHRI TUNA ORAON:

SHRI S. N. SINGH DEO:

Will the Minister of FINANCE be pleased to state:

(a) whether the Industrial climate of West Bengal is soothing; and

(b) if so, whether Life Insurance Corporation of India propose to sanction loans for industrial investment in this State as it is helping other States of Western Region?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRIMATI SUSHILA ROHATGI) (a) and (b) Life Insurance Corporation grants loans for industrial purposes to Public Limited Companies either singly or jointly with other public financial institutions on a consortium basis Before sanctioning loans, LIC satisfies itself about the financial stability of the borrowing company and safety of the capital and prospects of good return thereon The location of a Company has relevance only in the context of prospects of profitability

2 LIC has this year sanctioned up to 31st January, 1975, loans to industrial concerns of West Bengal aggregating to Rs 400 lakhs

आल इण्डिया बैंक एम्पलाइज एसोसिएशन द्वारा ज्ञापन दिया जाना

1645 श्री रामावतार शास्त्री क्या वित्त मन्त्री यह बताने की कृपा करेंगे कि

(क) क्या आल इण्डिया बैंक एम्पलाइज एसोसिएशन ने उन्हें कोई ज्ञापन दिया है,

(ख) यदि हां, तो उसकी मुख्य बातें क्या हैं, और

(ग) उसके बारे में सरकार की क्या प्रतिक्रिया है ?

वित्त मन्त्रालय में उपमन्त्री (श्रीमती सुशीला रोहतगी) (क) से (ग) शायद माननीय सदस्य "राष्ट्रीय हित में कृषि ऋण विषयक राष्ट्रीय नीति" और दूसरी 'बैंक ऋण की बुराइयां सुधारात्मक उपाय" नामक दो पुस्तिकाओं का उल्लेख कर रहे है जिन्हे अखिल भारतीय कर्मचारी संघ ने, नवम्बर, 1974 में प्रकाशित किया था। प्रथम पुस्तिका में वर्तमान सहकारी ऋण व्यवस्था और वाणिज्यिक बैंकों में तालमेल लाने तथा वाणिज्यिक बैंकिंग व्यवस्था के माध्यम से ग्रामीण क्षेत्रों में सुसम्बद्ध तरीके से अपि ऋण की व्यवस्था करने पर जोर दिया गया है। दूसरी पुस्तिका में यह बताया गया है कि वाणिज्यिक बैंकों का राष्ट्रीयकरण हो जाने पर भी इन बैंकों से उपलब्ध ऋणों का अधिकांश बड़े बड़े औद्योगिक और वाणिज्यिक घरानों को प्राप्त हो रहा है। दूसरी पुस्तिका में कुछ उपायों की भी सिफारिश की गई है जैसे—हुण्डी पुनर्भुगतान योजना का अधिकतर आश्रय लिया जाना, दुहरे वित्त की सम्भावना का दूर करना, निगमित क्षेत्र के पूंजी-आधार को सुदृढ करना, बैंक से ऋण प्राप्त करने के लिए इन घरानों द्वारा दी गई सूचना की बारीकी से जांच किया जाना ताकि इन घरानों का अत्यधिक वित्त पोषण न हो सके, आदि।

सरकार की ऋण नीति बनाते और अनुसूचित वाणिज्यिक बैंकों द्वारा उसके कार्यान्वयन के समय उक्त पुस्तिकाओं में दी गई बातों को निरन्तर ध्यान में रखा जाता है।

Foreign Debt

1646 SHRI SHANKERRAO SAVANT Will the Minister of FINANCE be pleased to state the names of the foreign countries and international bodies which have given the loans that are outstanding at present and the purpose for which the loans were given?

THE MINISTER OF FINANCE (SHRI C SUBRAMANIAM) The names of the foreign countries and international bodies which have given loans to India and that are outstanding at present are given in the statement These loans were given to achieve growth in various fields of economic development by creating additional capacity in power generation, steel, coal heavy machinery building, engineering electronics chemical and other industries, raising agricultural production strengthening infrastructure like transport and communications, etc and meeting the requirements of components, raw materials, spares for the industrial undertakings, fertilizers, etc

Statement

Name of the Country

A. Repayable in foreign currency

1. Austria.
2. Belgium.
3. Canada.
4. Denmark.
5. Federal Republic of Germanv.
6. France.
7. Italy.
8. Japan.
9. Netherlands.
10. Sweden.
11. U.K.
12. U.S A.
13. IBRD
14. IDA
15. Switzerland
16. Bahrain
17. Qatar.

B. Loans Repayable through Exports of Goods

1. Czechoslovakia.
2. Poland
3. USSR.
4. Yugoslavia.

C Lons Repayable in rupees.
Denmark.

Accumulation of Polyester Chips in Bombay Docks

1647. SHRI VASANT SATHE:
SHRI DHAMANKAR:

Will the Minister of FINANCE be pleased to state:

(a) whether more than 900 tonnes of polyester chips worth about Rs. 1.5 crores in foreign exchange are lying uncleared in Bombay docks and that the customs authorities have blocked them for over eight months without confiscating or auctioning;

(c) whether the polyser ships the final decision taken in the matter;

(c) whether the polyester chips were imported as essential raw materials for the polyester filament industry and the blockage has resulted in under utilisation of production capacity of the units and has pushed up the prices of polyester yarn by as much as Rs. 20 to Rs. 30 per kg. to about Rs. 170 per kg; and

(d) the steps taken in the matter?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PRANAB KUMAR MUKHERJEE): (a) and (b). Polyester chips weighing about 267 metric tonnes of c i f value Rupees Thirty lakhs approx. are lying uncleared at Bombay for the last about six months pending examination whether the imports are in accordance with the licence conditions

(c) and (d) The imported goods are raw materials to be utilized in polyester filament industry These have been imported against import licences issued to Export Houses against their exports of items like machinery, etc, in the production of which textile grade polyester chips are not used Several factors influence oroduction and price of polyester filament yarn and it is not possible to say that the detention of the subject goods has been the sole factor in the matter.

Indo-Bangladesh Trade Pact

1648 SHRI SAMAR GUHA: Will the Minister of COMMERCE be pleased to state:

(a) whether many licences have been given to private agencies according to Indo-Bangladesh Trade and Business Pact;

(b) if so, names of the parties given licences and the amount thereof;

(c) names and location of various Government Offices dealing with Indo-Bangladesh Trade Pact; and

(d) the names of the heads of these official agencies?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI VISHWANATH PRATAP SINGH): (a) Yes, Sir.

(b) The names of the parties who have been given licences under the Balanced Trade and Payments Arrangement with Bangladesh are published in the Weekly Bulletins of Industrial Licences, Import Licences and Export Licences issued by the Director of Statistics of the Office of the Chief Controller of Imports and Exports.

(c) and (d) Various Ministries/Departments of the Government of India, *e.g.*, Ministry of External Affairs/Finance/Commerce and organisations thereunder, *e.g.*, Chief Controller of Imports and Exports and its regional office at Calcutta, State Trading Corporation of India, Ltd, Minerals and Metals Trading Corporation of India, Ltd, Jute Corporation of India Ltd, Calcutta and State Bank of India, Calcutta, etc.

Seizure of forged currency

1649. SHRI E. R. KRISHNAN. Will the Minister of FINANCE be pleased to state.

(a) the total amount of forged currency seized in the country during the year 1974-75;

(b) the number of persons arrested in this connection; and

(c) the action taken by Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PRANAB KUMAR MUKHERJEE): (a) During 1974-75 (upto December, 1974) forged currency notes worth Rs. 98.326 were seized by Police in raids, and notes amounting to Rs 29,237 were recovered from circulation.

(b) 65 persons.

(c) The law of the land provides for deterrent punishment for offences relating to counterfeiting of currency and bank notes The State Police authorities keep a constant vigil in this regard and organise raids on information about counterfeiting being done by any person The Central Bureau of investigation also keeps the problem of counterfeiting of currency under continuous study by keeping records of different techniques adopted and by reviewing periodically the appearance of counterfeit Indian currency A 'cell' has also been created in their Economic Offences Wing to undertake investigations of serious offences of counterfeiting currency and coordinate the investigations in the States

Money in circulation

1650 SHRI PILOO MODY Will the Minister of FINANCE be pleased to state·

(a) whether the Reserve Bank of India is not keeping an accurate account of money in circulation;

(b) whether there have been numerous instances of detecting of duplications or even triplications of currency note numbers apart from the usual instances of counterfeiting; and

(c) whether Government have made any inquiry in this regard; if so, particulars thereof and whether Government have taken any action against the officers found responsible for the gross negligence?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PRANAB KUMAR MUKHERJEE): (a) No, Sir.

(b) In August-September, 1974, five packets of Notes of Five Rupees denomination each having 19 notes with repetitive numbering were detected and stray cases of repetitive numbering of two or three notes of other denominations have also come to notice in the past Such instances are, however, rare.

(c) Enquiries revealed that the repetitive numbering had occurred on account of mechanical defects in the numbering machines which remained undetected at the subsequent examination. Disciplinary action has already been taken against the defaulting employees Steps are also being taken to replace the old numbering machines by the modern rotary type numbering machines

Profit/loss of Hotels run by I T D C.

1651 SHRI C K CHANDRAPPAN Will the Minister of TOURISM AND CIVIL AVIATION be pleased to state

(a) what is the profit and loss position of each of the hotels run by India Tourism Development Corporation in the country during 1974-75;

(b) whether the special tourist programmes sponsored by the different organs of his Ministry in connection with the exposition of body of St. Xavier in Goa were profitable; and

(c) if so, the facts thereof?

THE MINISTER OF STATE IN THE MINISTRY OF TOURISM AND CIVIL AVIATION (SHRI SURENDRA PAL SINGH): (a) The accounts for the year 1974 75 are not yet closed.

(b) and (c). The Department of Tourism did not sponsor any tourist programme in connection with the exposition of body of St. Xavier in Goa—although it did give publicity to the exposition.

मध्य प्रदेश की प्रथम 20 फर्मों/व्यक्तियों की ओर आयकर की बकाया राशि

1652. **श्री फूलचन्द वर्मा** : क्या वित्त मन्त्री यह बताने की कृपा करेंगे कि :

(क) मध्य प्रदेश की प्रथम 20 फर्मों/व्यक्तियों के नाम क्या हैं जिनकी ओर आयकर की बहुत बडी धनराशि बकाया है; और

(ख) उनसे आयकर की बकाया राशि को वसूल करने के लिये सरकार का क्या ठोस कार्यवाही करने का विचार है ?

वित्त मन्त्रालय में राज्य मन्त्री (श्री प्रणव कुमार मखर्जी) (क) आयकर आयुक्तों, मध्य प्रदेश, I तथा II भोपाल, के अधिकार क्षेत्रों में 31 दिसम्बर 1974 की स्थिति के अनुसार जिन प्रथम 20 कर निर्धारितियों के नाम (जिसमें निगम कर भी शामिल है) अधिकतम बकाया रकमें थी उनके नाम विवरण में दिये गये है।

(ख) प्रत्येक मामले के तथ्यों तथा परिस्थितियों के आधार पर निम्नलिखित उपाय किये गये है और किये जा रहे है —

(1) अपीलों को प्राथमिकता के आधार पर निपटाने के लिए अपीलीय प्राधिकारियों से निवेदन करना।

(2) कर-निर्धारितियों को देय रकमों की कुर्की।

(3) कर-निर्धारितियों की चल/अचल सम्पत्तियों की कुर्की।

(4) कुर्क की गयी सम्पत्तियों की नीलाम द्वारा बिक्री।

(5) निर्धारितियों को सिविल जेल में रखने की सम्भावना पर विचार।

विवरण

क्रम सं० आयकर आयुक्तो, मध्य प्रदेश I तथा मध्य प्रदेश II के अधिकार क्षेत्रों में 31 दिसम्बर 1974 की स्थिति के अनुसार जिन प्रथम 20 कर निर्धारितियों के नाम आयकर की (जिसमें निगम कर भी शामिल है) अधिकतम बकाया रकमें थी उनके नाम ।

1. श्री पी० डी० मोदी ।
2. मैसर्स मंगलचन्द हुक्मीचन्द ।
3. मैसर्स न्यू भोपाल टैक्स टाइल्स क० लिमिटेड ।
4. मैसर्स स्वयंबर लाल मोटर सर्विसेज (प्रा०) लि० ।
5. श्री रामविलास अग्रवाल ।
6. मैसर्स पालूराम धनानिया ।
7. दि ग्वालियर रेयन सिल्क मैन्यू-फ़ैक्चरिंग (वीविंग) क० लि० ।
8. श्री हुकमीचन्द चिमनलाल ।
9. मैसर्स मगलचन्द हुक्मीचन्द के साझेदार श्री मगलचन्द चिमन लाल ।
10. श्री धनसुख भाई ।
11. श्री ओंकारलाल मिसरीलाल ।
12. मैसर्स श्री सज्जन मिल्स लि० ।
13. मैसर्स सरदार सिंह अमर सिंह ।
14. मैसर्स प्रभुदयाल शिवनारायण ।
15. सरदार करतार सिंह ।
16. मैसर्स बलवन्त सिंह एण्ड सन्स ।
17. मैसर्स सागरमल स्पिनिंग एण्ड वीविंग मिल्स लि० ।
18. श्री गपूलाल जायसवाल ।
19. सरदार जोधसिंह ।
20. मैसर्स साधना ट्रेडर्स ।

Arrest of Tax Evaders

1653. SHRI BIRENDER SINGH RAO Will the Minister of FINANCE be pleased to state:

(a) the number of persons arrested during the year 1973-74 and from 1st April, 1974 to 31st January, 1975 for tax evasion in the country, State-wise;

(b) the value of the property seized by Government belonging to the tax evaders; and

(c) what further steps Government propose to take in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PRANAB KUMAR MUKHERJEE) (a) to (c). Information is being collected and the same will be laid on the Table of the House.

Dry Port in Rajasthan

1654. DR. H P. SHARMA: Will the Minister of COMMERCE be pleased to state:

(a) the objective norms which are taken into consideration before a final decision is taken for setting up a dry port;

(b) whether Rajasthan Government has submitted any proposal for setting up a dry port in that State and if so, the main features of the proposal; and

(c) whether Government have considered in depth the suitability of Alwar for the location of a port in view of abundant supply of fresh water and power there and economic price of land?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI VISHWANATH PRATAP SINGH): (a) The norms are the need for a dry port, its contribution in promoting the exports from its hinterland, volume of export cargo available from the hinterland, infrastructure needed at the port for movement of export cargo, environmental effects, economic viability of the project etc.

(b) Government of Rajasthan have proposed Jaipur, Alwar and Bharatpur for locating the dry port.

(c) The suitability of various alternative locations, including Alwar, is under consideration of Government.

Rise in prices of commodities

1655. SHRI R. N. BARMAN: Will the Miniser of FINANCE be pleased to state:

(a) whether there has been pre-Budget upward trend in the prices of all commodities in the country;

(b) whether it is due to some leakage in budget proposal or otherwise;

(c) whether certain patent brand commodities have disappeared from the market, and

(d) if so, the reaction of Government thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PRANAB KUMAR MUKHERJEE): (a) No.

(b) Question does not arise.

(c) No report of disappearance of any patent brand commodities from the market, has come to the notice of the Government.

(d) Does not arise.

Committee on Anti-smuggling

1656. SHRI THAKIRUTTINAN: Will the Miniser of FINANCE be pleased to state:

(a) whether a high power committee on anti-smuggling recently visited Bombay and Madras;

(b) if so, the particulars of their visit; and

(c) the decisions taken by the Committee?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PRANAB KUMAR MUKHERJEE): (a) to (c). No high power committee has been appointed by Government on anti-smuggling. However, a group of senior officers has been asked to continuously review and co-ordinate the anti-smuggling measures that are being taken.

A team of officers of some departments has visited Bombay and Madras in this connection.

Attempts made to put Private Sector Joint Stock Scheduled Banks in Joint Sector of Economy

1657. SHRI B. V. NAIK: Will the Minister of FINANCE be pleased to state:

(a) whether any attempts have been made to put the private sector joint stock scheduled banks in the joint sector of the economy; and

(b) if so, the outcome thereof?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRIMATI SUSHILA ROHATGI): (a) and (b). Presumably, the Hon'ble Member has in mind the amalgamation or transfer of the liabilities and assets of private

sector commercial banks with/to the public sector banks or the participation in the share capital of the private sector banks by the public sector banks. Reserve Bank has stated that its policy in regard to small banks in the private sector continues to be to allow them to develop and not to insist on their merger so long as their overall financial and development potential continue to be satisfactory

Assistance Granted by L I.C. to Corporate Private Sector

1658. SHRI ERA SEZHIYAN: Will the Minister of FINANCE be pleased to state:

(a) total financial assistance granted to date, by the Life Insurance Corporation to the Corporate private sector;

(b) total financial assistance granted by the L I C to the companies under the control of each of the 10 Monopoly Houses, and

(c) the reasons why the large amount of the L I C assistance has gone to the Monopoly Houses?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRIMATI SUSHILA ROHATGI) (a) Total investments by way of underwriting/Direct subscriptions to debentures and shares, subscription to 'Right Issues' as also term loans sactioned and disbursed by the LIC to public limited companies in the private corporate sector from 1-1-1956 and upto 31-12-1974 are as given below —

Amount sanctioned	Amount disbursed
(Rupees in crores)	
232 69	177 20

(b) Total investments by way of underwriting/direct subscription to debenture and shares, subscriptions to 'Right issues' as also term loans sanctioned and disbursed by the LIC to public limited companies belonging to the first term Monopoly business groups listed in Monopolies Inquiry Commission's Report, 1965 are as given below:—

(Rs. in crores)

S. No.	Business Groups	Amount Sanctioned	Amount Disbursed
1.	Tata . .	25 90	21 14
2.	Birla . .	21 30	16 02
3.	Martin Burn	2 88	0 38
4.	Bangur . .	5 37	4 62
5	A C.C. . .	4 33	4 27
6.	Thapar . .	1 10	1 02
7.	Sahu Jain .	0 09	0 09
8.	Bird Heilgers	1 02	0 52
9.	J.K. (Singhania)	5 04	2 01
10.	Soorajmull Nagarmull .	0 38	0 29
	Total	68 36	50 36

(c) The high proportion of its investments in the former is on account of the fact that the ventures controlled by these Groups provide greater investment opportunities because of their wide-spread operations

U.S. Study Team to find out Investment and Trade Prospects between India and U S.A.

1659. SHRI R V. SWAMINATHAN: Will the Minister of COMMERCE be pleased to state:

(a) whether U.S. study team visited India recently and had discussions for investment prospects and increase in trade between the two countries;

(b) whether India and U.S. agreed to set up a business council;

(c) if so, the main features of the council; and

(d) to what extent the trade between the two countries will increase?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI VISHWANATH PRATAP SINGH): (a) No, Sir. However, a trade mission sponsored by the U. S Department of Commerce visited India in December 1974 to study the Indian market for a range of U. S. mining, construction and earthmoving equipment and to explore the possibilities for specific agency arrangements, distributorship, joint ventures and direct sales.

(b) Yes, Sir. At the meeting of the Indo-US Economic and Commercial Sub-commission held in January 1975 it was agreed that a Joint Business Council may be set up.

(c) The Joint Business Council will increase contacts between the business sectors of India and the U S A. to foster the growth of trade and investment cooperation between the two countries.

(d) While attemps are being made to increase the trade, it is not possible to estimate precisely to what extent trade will expand.

Projects for Boosting Export of Woollens

1660 SHRI MOHINDER SINGH Will the Minister of FINANCE be pleased to state:

(a) whether a site in Punjab has been selected where the Central Government intend to set up one of the three projects for boosting export of woollens;

(b) if so, when a final decision in this regard is likely to be taken; and

(c) whether the State will have to share any of the financial involvements therein?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI VISHWANATH PRATAP SINGH): (a) and (b). While no project is being launched specifically for export promotion of woollens, it has been decided to set up with UNDP assistance one wool dyeing and finishing plant at Ludhiana in Punjab, the Government of Punjab has selected a 4 acre site at Ludhiana for this purpose.

(c) Yes, Sir.

Ceiling on Possession of Gold Ornaments by an Individual Joint Family Members

1661 SHRIMATI SAVITRI SHYAM Will the Minister of FINANCE be pleased to state

(a) whether Government propose to bring forward a bill in the current session for the ceiling on possession of gold ornaments by an individual and/or joint family members; and

(b) if so, the salient features thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PRANAB KUMAR MUKHERJEE): (a) No, Sir.

(b) Does not arise

तुर्की को ट्रैक्टरों का निर्यात

1662. डा० लक्ष्मीनारायण पाण्डेय : क्या वाणिज्य मन्त्री यह बताने की कृपा करेंगे कि :

(क) क्या भारत में ट्रैक्टरों की भारी कमी है;

(ख) क्या इन्टरनेशनल ट्रैक्टर कम्पनी आफ़ इण्डिया, बम्बई द्वारा 750 ट्रैक्टर तुर्की को निर्यात किये जायेंगे;

(ग) क्या अन्य देशों को भी ट्रैक्टरों का निर्यात किये जाने की सम्भावना है; और

(घ) देश में ट्रैक्टरों की भारी मांग होने हुए भी इस प्रकार ट्रैक्टरों के निर्यात करने के क्या कारण हैं ?

वाणिज्य मन्त्रालय में उपमन्त्री (श्री विश्वनाथ प्रताप सिंह) : (क) जी नहीं। ट्रैक्टरों का स्वदेशी उत्पादन ट्रैक्टरों की वास्तविक वर्तमान मांग को पूरा करने के लिए उपयुक्त है।

(ख) जी हां।

(ग) अन्य देशों को भी ट्रैक्टरों के निर्यात की प्रस्थापना है।

(घ) इस उद्देश्य से कि भारतीय विनिर्माता विदेशी बाजारों में आधार बना सकें गुणावगुण अनुसार अल्प संख्या में ट्रैक्टरों के निर्यात की अनुमति दी जा रही है इस निर्यात से देश में ट्रैक्टरों की प्राप्यता पर कोई महत्वपूर्ण प्रभाव नहीं पड़ेगा।

तस्करों की वस्तुओं का पकड़ा जाना

1663. **श्री ज्ञानेश्वर प्रसाद यादव** : क्या वित्त मन्त्री यह बताने की कृपा करेंगे कि

(क) गत वर्ष तस्करों के विरुद्ध की गई कार्यवाही के फलस्वरूप उनसे कितने मूल्य की वस्तुएं पकड़ी गईं; और

(ख) उक्त अभियान पर सरकार ने कितनी राशि खर्च की और जब्त की गई वस्तुओं की बिक्री से सरकारी खजाने को कितनी राशि प्राप्त हुई ?

वित्त मन्त्रालय में राज्य मन्त्री (श्री प्रणव कुमार मुखर्जी) : (क) और (ख) सीमाशुल्क प्राधिकारियों द्वारा वर्ष 1974 में पकड़े गये तस्करी के माल का अन्तिम मूल्य 6006 लाख रु० था।

निवारक तथा तस्करी विरोधी कार्य के लिए अनन्यरूप से तैनात किये गये कर्मचारियों की संख्या प्रायः कुछ अतिरिक्त कर्मचारियों को तैनात करके बढ़ा दी जाती है। इसलिए तस्करी विरोधी अभियान पर किये गये व्यय को स्पष्ट रूप से बताना सम्भव नहीं है।

चूंकि पकड़े गये माल को तब तक नहीं बेचा जा सकता जब तक अपील आदि का निपटान नहीं हो जाता इसलिए 1974 में पकड़े गये माल की बिक्री से राज्यकोष को प्राप्त रकम के बारे में बताना सम्भव नहीं है।

Performance of Public Sector Undertakings

1664 SHRI S. R. DAMANI. Will the Minister of FINANCE be pleased to state

(a) the names of public sector industrial units which have shown substantial improvement in performance in 1973-74 over the previous year and how are they faring in the current year;

(b) whether there is increase in their capacity utilization and if so, the particulars thereof; and

(c) the financial results of the working?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PRANAB KUMAR MUKHERJEE): (a) Information regarding 1973-74 is given in Annexure-I. They are expected to maintain the improvement in the current year.

(b) Generally Yes, Sir. The information in respect of 21 of the manufacturing enterprises referred to in Annexure-I is given in statement II. laid on the Table of the House. [*Placed in Library. See* No. LT-9045/75]. In the other cases, as they are not manufacturing companies, capacity utilisation is not given.

(c) Information is given in statement-I laid on the Table of the House. [*Placed in Library. See* No. LT-9045/75.] The accounts for 1974-75 are not yet closed.

Market Prices of Sugar

1665. DR. KARNI SINGH: Will the Minister of COMMERCE be pleased to state:

(a) the quantity of sugar exported during the years 1973 and 1974;

(b) the prices at which it was exported;

(c) the prices prevailing in India in the open market during these years; and

(d) the quantity of sugar proposed to be exported during the year 1975, the price to be charged and the market price prevailing in India at present?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI VISHWANATH PRATAP SINGH): (a) The quantity of sugar exported during 1973 and 1974 was 2.49 lakh tonnes and 4.87 lakh tonnes respectively.

(b) The prices vary from transaction to transaction and have been generally at a premium over LDP prices.

(c) Wholesale prices of white sugar in the open market in Bombay ranged from Rs. 348/- per quintal in October, 1973 to Rs. 615/- per quintal in September, 1974.

(d) The quantity, price and destinations of sugar to be exported in 1975 will depend upon international demand end supply situation. Efforts will, however, be made to export maximum possible quantity at the best prices, to maximise foreign exchange earnings, keeping in mind domestic requirements.

The price of D' grade white sugar in Bombay market on 20-2-1975 was Rs. 428/- per quintal.

Terminal Building at Calcutta Airport

1666. SHRI PRIYA RANJAN DAS MUNSI Will the Minister of TOURISM AND CIVIL AVIATION be pleased to state:

(a) what was the purpose and plan of his Ministry in constructing the luxurious terminal building of Calcutta airport;

(b) the reason why it is being used now mostly for the domestic flights, changing the earlier place of domestic flight operation; and

(c) what effective steps have been taken by his Ministry to increase international flights in that area?

THE MINISTER OF STATE IN THE MINISTRY OF TOURISM AND CIVIL AVIATION (SHRI SURENDRA PAL SINGH). (a) The new international terminal building at Calcutta airport was constructed keeping in view the anticipated growth of international traffic at Calcutta airport.

(b) Apart from Air-India, six foreign international airlines are using the new international terminal building. The domestic terminal building had reached saturation point and on the basis of traffic projections required a good deal of expansion and improvement. On account of financial constraints, it was decided to shift the domestic operations to the international terminal building where space was available.

(c) Steps are continuously being taken to provide better facilities and modern and sophisticated navigational aids at the Calcutta airport to attract international airlines to operate more flights through this airport.

Opening of Branches of State Bank in Tripura

1667. SHRI BIREN DUTTA: Will the Minister of FINANCE be pleased to state:

(a) whether there is a demand for opening Branches of the State Bank of India in all the sub-division towns of Tripura; and

(b) if so, the reasons for not opening such branches?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRIMATI SUSHILA ROHATGI): (a) and (b). The State Bank of India have reported that they have not received any specific demand for opening of their branches at each and every one of the 10 sub-divisional towns of Tripura. Currently, the State Bank of India have branches at three sub-divisional towns while United Bank of India have branches, among others, at the other 7 sub-divisional towns.

Sick Tea Gardens in West Bengal

1668. SHRI S. N. SINGH DEO: Will the Minister of COMMERCE be pleased to state:

(a) whether many tea gardens in West Bengal are in a state of collapse; and

(b) if so, the steps being taken to help the sick tea gardens?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI VISHWANATH PRATAP SINGH): (a) No, Sir.

(b) Tea Board has three schemes for rendering financial assistance to tea gardens namely, Plantation Finance Scheme under which loans are granted for extension and/or replacement/replanting of tea areas, Replantation Subsidy Scheme under which subsidy is given for uprooting and replanting of old and uneconomic tea areas and Tea Machinery Hire Purchase Scheme under which machinery for the manufacture of tea is provided on hire purchase terms. Many of the gardens which are now in difficulties have already availed of these financial assistance schemes of the Tea Board. It is open to other tea estates who have not availed of these schemes to apply for financial assistance under these schemes.

Apart from this, the Task Force on Tea Industry has submitted its recommendations on the question of take over of the management of sick tea gardens. The Committee set up to examine the implications of the proposal has arrived at some findings which are receiving attention

Hunger Strike by Employees of Audit and Accounts Department

1669. SHRI DINEN BHATTACHARYYA. Will the Minister of FINANCE be pleased to state:

(a) whether the attention of Government has been drawn to the one day hunger strike by the employees of the Audit and Accounts Department in December, 1974;

(b) if so, the reason for the hunger strike; and

(c) the reaction of Government thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PRANAB KUMAR MUKHERJEE):

(a) It has been reported that a section of the employees of the Audit and Accounts Department in some offices went on fast in December, 1974.

(b) The All India Non-Gazetted Audit and Accounts Association had given a call for the fast. According to the circular issued by the Association, the object of the fast was to convey that it wanted to end all forms of victimisation and commencement of meaningful dialogue between authorities and employees for amicable settlement of staff problems.

(c) The developments have been noted.

Export of Coal

1670. DR. H. P. SHARMA:
DR. KARNI SINGH:

Will the Minister of COMMERCE be pleased to state:

(a) whether Government have lately been considering the question of exporting coal;

(b) if so, the details of offers from the prospective countries during the ensuing year and the total amount and grades of coal proposed to be exported during the coming years; and

(c) foreign exchange to be earned thereby?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI VISHWANATH PRATAP SINGH): (a) to (c). At present non-coking coal in limited quantities is exported to neighbouring countries. The question of its export to other countries is reviewed from time to time in the context of availability and indigenous requirements. A decision about the policy for coming years is not been taken as yet.

Aid from U.K.

1671. DR. H. P. SHARMA: Will the Minister of FINANCE be pleased to state:

(a) the total aid received from U.K. to help India to tide over the economic difficulties arising from the increase in oil prices during 1974-75; and

(b) the extent of oil imported and to be imported with this aid and the sources from which the imports have been and are to be made?

THE MINISTER OF FINANCE (SHRI C. SUBRAMANIAM): (a) £20 million has so far been offered to India during 1974-75 by the U. K., as a member of the E. E. C., towards United Nations Emergency measures to assist those developing countries most seriously affected by the rise in oil and commodity prices.

(b) The above assistance will be utilised for financing of maintenance imports, such as spares, components and commodities, including fertilisers. No direct import of oil is proposed to be made against this assistance.

Action against Customs Officials in Bombay

1672 SHRI BIRENDER SINGH RAO: Will the Minister of FINANCE be pleased to state:

(a) the number of customs officials, category-wise, who have been charge-sheeted in Bombay area by the Bombay Vigilance Officials during the last one year; and

(b) nature of allegations made against them?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PRANAB KUMAR MUKHERJEE): (a) During the period 1-1-74 to 15-2-75, 11 gazetted officers and 15 non-gazetted officers in the Bombay area were charge-sheeted by Vigilance Officials in Bombay.

(b) The nature of allegations made against these officials include recording of false examination reports in the case of imports and exports, negligence in baggage examination, defalcation of salary amount entrusted for disbursement, issue of false port clearances, aiding and abetting smugglers and misuse of departmental vehicle

Public participation in the equity of public Sector Undertakings

1673. SHRI MADHU LIMAYE:
SHRI RANEN SEN:
SMT. ROZA DESHPANDE:

Will the Minister of FINANCE be pleased to state:

(a) whether Government have considered the suggestion made during the debate on the Sick Textile undertakings Nationalisation Bill that public participation in the equity of public sector undertakings should be allowed with a view to reduce burden on the exchequer in the matter of investment funds;

(b) whether the suggestion to invite deposits in the public sector companies has also been considered; and

(c) if so, the decisions of Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PRANAB KUMAR MUKHERJEE): (a) and (b). Government have decided to invite public participation in the equity capital of Messrs Scooters (India) Limited. No general decision on such public participation by way of equity or loan finance has yet been taken.

(c) Does not arise.

Canteen for Staff Working in Mayur Bhawan and Indraprastha Bhawan

1764. SHRI K. M. MADHUKAR: Will the Minister of FINANCE be pleased to state:

(a) whether there is no canteen for staff working in the Income-tax offices in Mayur Bhawan and Indrapastha Bhawan D. Wing New Delhi;

(b) whether Government are aware that this affects about 1500 Government employees working in these offices; and

(c) if so, the steps being taken to provide canteen facilities in these premises?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PRANAB KUMAR MUKHERJEE): (a) to (c) The Income Tax Department has hired four floors in the Mayur Bhawan which belongs to the New Delhi Municipal Committee. An attempt was made in the past to start an improvised canteen but it was objected to by the N. D. M. C. The matter is again under negotiation with them and is being actively pursued.

As regards Indraprastha Bhawan, D. Wing, the reference is presumably to the Drum-shape building in that area. It belongs to the C. P. W. D. and houses employees of other Central Government Departments also. Canteen facilities are available in the adjoining building about 40 to 50 yards away. The C. P. W. D. are being requested to explore the possibility of providing canteen facilities in the building itself.

The number of employees working in the above two buildings is substantial.

Measures taken to bring down prices of Essential Commodities

1675. SHRI SHANKER RAO SAVANT: Will the Minister of FINANCE be pleased to state:

(a) the measures taken during the current financial year to bring down prices of essential commodities and the results achieved; and

(b) what are genrally the reasons for failure of Government to keep down these prices?

THE MINISTER OF FINANCE (SHRI C. SUBRAMANIAM) (a) The measures taken to check rise in prices during the current financial year have been indicated in the "Economic Survey 1974-75" recently presented to the Parliament. Mainly as a result of these measures, there has been some weakening of inflationary forces, and there has been a fall of about 5.4 per cent in wholesale prices during the last four and a half months.

(b) The principal factors which aggravated the price situation were a fall in agricultural production during 1971-72 and 1972-73, virtual stagnation in industrial production in 1973-74, and a steep rise in international prices of important inputs like petroleum and petroleum products, fertilizers and metals. There were also increases in money supply which were excessive in relation to the rate of growth of the economy. Now, that the rate of growth of money supply has been checked, the rabi prospects are good, industrial production has begun to rise, and the international situation is less unfavourable than in the past year, inflationary pressures have become more amenable to control.

Scientific Device for Advance Warning about Earthquake

1676. SHRI B. R. SHUKLA: Will the Minister of TOURISM AND CIVIL AVIATION be pleased to state:

(a) whether there exists any scientific device in India or in any other country which can give advance warning of an impending earthquake; and

(b) if not, do Government consider it feasible to investigate the possibility of such a device?

THE MINISTER OF STATE IN THE MINISTRY OF TOURISM AND CIVIL AVIATION (SHRI SURENDRA PAL SINGH): (a) and (b). No reliable scientific device has so far been perfected in any country which can give advance warning of an impending earthquake. However, intensive research on earthquake prediction is being undertaken in several countries. Indian scientists are keeping themselves abreast with the latest developments in this field.

Setting up of Dry Ports

1677. SHRI M. V. KRISHNAPPA: Will the Minister of COMMERCE be pleased to state:

(a) whether any decision has since been taken by Government in regard to setting up of dry ports in the country;

(b) if so, the places where such dry ports are likely to be set up; and

(c) the financial implications thereof?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI VISHWANATH PRATAP SINGH): (a) and (b). While it has been decided, in principle, to set up a dry port, a decision about the location is yet to be taken.

(c) Government are studying the financial implications of alternative locations.

Policy to arrest demand of increased Dearness Allowance

1678 SHRI S. R. DAMANI: Will the Minister of FINANCE be pleased to state:

(a) whether any policy has been worked out under which the demand

for increased dearness allowance to Government Employees from time to time can be arrested; and

(b) if so, the main features thereof and the stage of its implementation?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PRANAB KUMAR MUKHERJEE) (a) and (b) The Third Pay Commission had recommended that "should the price level rise above the 12-monthly average of 272 (1960=100) Government should review the position and decide whether the dearness allowance scheme should be extended further or the pay scales themselves should be revised" The index average of 272 having since been crossed, the dearness allowance issue is being reviewed in all its aspects

Profit or Losses suffered by Public Sector Undertakings

1679 SHRI C JANARDHANAN Will the Minister of FINANCE be pleased to state·

(a) the names of the public sector undertakings showing profit or loss during the financial years 1973-74 and 1974-75,

(b) the names of the concerns which are making losses since their inception;

(c) whether Government have conducted any probe into the working of these undertakings; and

(d) if so, what measures are being taken to rectify the situation?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PRANAB KUMAR MUKHERJEE) (a) Names of Public Enterprises indicating the profit earned or loss incurred by them during 1973-74 is given in statement-I laid on the Table of the House. [*Placed in Library See* No. LT-9046/75] The accounts for 1974-75 are not yet closed

(b) Information is given in statement-II laid on the Table of the House. [*Placed in Library See* No LT-9046/75]

(c) and (d). Government keep a continuous watch over the perform ance of public enterprices with a view to taking timely remedial action. Some important measures taken to improve the performance are removal of technological problems, improving capacity utilisation improving industrial relations and motivation, better preventive maintenance to reduce downtime, greater marketing efforts including diversification and exports wherever demand is slack, steps to ensure better power and raw-material supplies more effic ent management of materials and resources

Payment of Income Tax by Chartered Accountants in Delhi

1680 SHRI BIRENDER SINGH RAO Will the Minister of FINANCE be pleased to state

(a) the number of Chartered Accountants|Chartered Accountant Companies in Delhi|New Delhi who have been assessed for Income-tax,

(b) whether Government are aware that a number of them act only as agents between the Income Tax Officers and the business community; and

(c) whether Government propose to probe into the assets of these Companies to find out their true income and sources of their income?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PRANAB KUMAR MUKHERJEE) (a) 815 Chartered Accountants/Chartered Accountant Companies in Delhi/New Delhi have been assessed for income-tax

(b) No, Sir

(c) Does not arise. However, suitable action will be taken on receipt of information warranting a probe in any particular case.

जे० के० सिन्थेटिक्स लि०, कोटा, राजस्थान में राष्ट्रीयकृत बैंकों और सार्वजनिक वित्तीय संस्थाओं के प्रतिनिधि निदेशक

1681. श्री लालजी भाई : क्या वित्त मंत्री यह बताने की कृपा करेंगे कि :

(क) जे० के० सिन्थेटिक्स लिमिटेड, कोटा राजस्थान में राष्ट्रीयकृत बैंको और सार्वजनिक वित्तीय सस्थाओ के निदेशको के नाम क्या हैं;

(ख) जे० के० सिन्थेटिक्स लिमिटेड कोटा मे राष्ट्रीयकृत बैको और वित्तीय सस्थाओ के कितने-कितने शेयर हैं; और

(ग) जे० के० सिन्थेटिक्स लिमिटेड, कोटा के सभी निदेशकों के नाम क्या हैं ?

वित्त मंत्रालय में उपमंत्री (श्रीमती सुशीला रोहतगी) : (क) दिसम्बर, 1974 के अन्त तक उपलब्ध सूचना के अनुसार, मैसर्स जे० के० सिन्थेटिक्स लिमिटेड, कोटा के बोर्ड में सरकारी बैंकों और सरकारी वित्तीय संस्थाओं का प्रतिनिधित्व करने वाला कोई निदेशक नही था।

(ख) इस कम्पनी के सरकारी बैंकों और सरकारी वित्तीय सस्थाओ द्वारा धृत शेयरों की सख्या निम्न प्रकार है :—

सस्था का नाम	शेयरो के नाम	
	साम्य (इक्विटी) शयर (हर एक 10 रु० का)	तरजीही शेयर (हर एक 100 रु० का)
यूनिट ट्रस्ट आफ इण्डिया (दिसम्बर 1974 के अन्त तक)	2,38,441	25,500
भारतीय जीवन बीमा निगम (अब तक)	3,00,303	—
सरकारी क्षेत्र के बैंक (30-9-1972 तक रेहन रखे गये शेयर)	46,470	—

(ग) सरकार के पास उपलब्ध, कम्पनी के दिसम्बर, 1973 को समाप्त होने वाले वर्ष के तुलन-पत्र के अनुसार, कम्पनी के निदेशक बोर्ड मे निम्नलिखित व्यक्ति थे :—

श्री जी०के०सिंहानिया (अध्यक्ष)

श्री भीम सिंह

श्री सी० झुनझुन वाला

श्री आर० रामकृष्ण

श्री वी० बी० एल० माथुर

डा० ज० आर० स्टीगर (वैकल्पिक श्री पी० डी० राणा)

श्री नरेन्द्रजीत सिंह

श्री सोहन लाल

श्री एच० एस० सिंहानिया

डा० गौड़ हारी

डी० सी० एम० रेयन्स और डी० सी० एम० फर्टीलाइजर्स में राष्ट्रीयकृत बैंकों और वित्त पोषक संस्थाओं की शेयरधारिता

1682. **श्री लालजी भाई :** क्या वित्त मंत्री यह बताने की कृपा करेंगे कि

(क) डी० सी० एम० रेयन्स और डी० सी० एम० फर्टीलाइजर्स, कोटा, राजस्थान में राष्ट्रीयकृत बैंकों और सार्वजनिक वित्त पोषी संस्थाओं की शेयरधारिता क्या है; और

(ख) उन राष्ट्रीयकृत बैंकों और सार्वजनिक वित्त पोषी संस्थाओं के नाम क्या हैं जिनका उपरोक्त कम्पनियों के निदेशक मंडल में प्रतिनिधित्व है ?

वित्त मंत्रालय में उपमंत्री (श्रीमति सुशीला रोहतगी) : (क) और (ख). सम्भवत दिल्ली क्लाथ एण्ड जनरल मिल्स कम्पनी लिमिटेड के रेयन्स और फर्टीलाइजर्स एककों के सम्बन्ध में सूचना मांगी गयी है। दिल्ली क्लाथ एण्ड जनरल मिल्स कम्पनी लिमिटेड में सरकारी वित्तीय संस्थाओं की शेयरधारिता का ब्यौरा निम्नलिखित है —

संस्था का नाम	भाग्य (इक्विटी)	शेयर		तरजीही शेयर	
	शेयरों की संख्या	अंकित मूल्य (फेस वैल्यू) (लाख रु० में)	शेयरों की संख्या	अंकित मूल्य (फेस वैल्यू) (लाख रु० में)	
भारतीय जीवन बीमा निगम . .	7,14,759	178 69	1 94 547	48.64	
यूनिट ट्रस्ट आफ इंडिया	1.50.810	37.70	1 30 648	32.66	

आवधिक ऋण देने वाली पांच अखिल भारतीय सरकारी वित्तीय संस्थाओं में से, केवल भारतीय औद्योगिक विकास बैंक ने ही इस कम्पनी के निदेशक मंडल में एक प्रतिनिधि नामांकित किया है।

इस कम्पनी में, राष्ट्रीयकृत बैंकों की शेयरधारिता और इसके निदेशक मंडल में इन बैंकों का प्रतिनिधित्व है या नहीं, इस विषय में सूचना एकत्रित की जा रही है और यथा उपलब्ध सूचना सभा-पटल पर रख दी जावेगी।

Evasion of Income Tax by Mafatlal Group

1683 SHRI LALJI BHAI: Will the Minister of FINANCE be pleased to state:

(a) whether Mafatlals have adopted the tactics of showing a large sum of amount as 'fringe benefits' to employees and thus saving the income-tax and other taxes otherwise payable to Government;

(b) whether Government propose to find out what is the actual amount shown on expenditure side as 'fringe benefits' during the last three financial years, years-wise and unit-wise;

(c) percentage of the total expenditure spent on salaries of the officers shown as 'fringe benefits';

(d) the total amount shown as 'fringe benefits' during the last three years as indicated in their books and as submitted to the Tax Authorities; and

(e) whether Government intend to place a limit on Mafatlals on such expenditure and if so, action taken towards this?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PRANAB KUMAR MUKHERJEE): (a) The information is being collected and will be laid on the Table of the House.

(b) The actual amount shown on expenditure said as 'fringe benefits' is ascertained and admissibility thereof is examined in the course of assessments of various units of the group.

(c) and (d). The information is being collected and will be laid on the Table of the House

(e) The law in this respect is applicable uniformly to all assessees

Loans sanctioned to Mafatlal Group of Mills by LIC and Unit Trust of India

1684. SHRI LALJI BHAI Will the Minister of FINANCE be pleased to refer to the reply given to Unstarred Question No. 1723 on 22nd November, 1974 regarding loan sanctioned to Mafatlal Group of Mills by LIC and Unit Trust of India and state:

(a) whether the information promised for in last para of the reply to the above question has been collected;

(b) if so, the total amount granted as loan and for what purpose;

(c) what is the specific reply to parts (c) and (d) of the above question;

(d) whether a large sum of money has been advanced to that Group for a particular purpose but the amount has not been used properly;

(e) whether Government will place the report of the agency which was appointed to see that the loans were utilised properly; and

(f) whether Government propose to go into details of misuse of the loans?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRIMATI SUSHILA ROHATGI): (a) Yes, Sir. The required information is being laid on the table of the House separately in fulfilment of the Assurance given in reply to Question No 1723 dated 22 11-1974

(b) No loans were sanctioned to M/s. Maftlal Group of Mills by any of the remaining financial institutions during the three years 1971-72, 1972-73 and 1973-74.

(c) to (f) Information as to whether loans advanced by ICICI were used for the specific purpose for which these were granted is being collected and will be placed on the table of the House

Loans Advanced by Nationalised Banks to Small Scale Industries of Howrah in West Bengal

1685. SHRI N. E. HORO:

SHRI S N. SINGH DEO.

Will the Minister of FINANCE be pleased to state:

(a) the amount of loans advanced by the nationalised banks to small scale industries of Howrah in West Bengal during the year 1974; and

(b) how many such applications were pending as at the end of January, 1975?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRIMATI SUSHILA ROHATGI): (a) Districtwise information in regard to the flow of bank credit to different sectors becomes available with certain amount of time lag The latest date for which information regarding outstanding advances of public sector banks, including nationalised banks, to small scale industries in Howrah district currently available is end Dec. 1973; on that date such outstanding advances amounted to Rs 837 61 lakhs.

(b) The present system of data reporting does not provide for compilation of information regarding loan applications pending with the bank branches It has, however, been the endeavour of the public sector banks to eliminate avoidable delays in the disposal of loan applications

यूनाइटेड कमर्शियल बैंक की भरतपुर शाखा के कर्मचारियों में असन्तोष

1686. श्री रामावतार शास्त्री : क्या वित्त मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या बैंक मैनेजर की कर्मचारी विरोधी नीति के कारण यूनाइटेड कमर्शियल बैंक की भरतपुर शाखा के कर्मचारियों से काफी असन्तोष और क्षोभ है,

(ख) क्या बैंक मैनेजर के व्यवहार के प्रति कई श्रमिक संगठनों ने बैंक के उच्च अधिकारियों का ध्यान आकर्षित किया है,

(ग) यदि हां, तो किस प्रकार की शिकायतें की गई हैं, और

(घ) उनकी शिकायतों को दूर करने के लिए सरकार ने क्या कार्यवाही की है ?

वित्त मंत्रालय में उप-मंत्री (श्रीमती सुशीला रोहतगी) : (क) यूनाइटेड कमर्शियल बैंक ने सूचित किया है कि इसकी भरतपुर शाखा पिछले कुछ समय से सन्तोषजनक कार्य नहीं कर रही है। अत इसके उचित कार्यचालन को सुनिश्चित करने की दृष्टि से मैनेजर ने कर्मचारियों में अनुशासन लाने के लिये कुछ उपाय किये हैं। सूचित किया गया है कि इस कारण से शाखा के कर्मचारियों में कुछ असन्तोष और अशान्ति व्याप्त हो गई है।

(ख) और (ग) सूचना मिली है कि इस क्षेत्र में कार्यरत कुछ स्थानीय श्रमिक संगठनों ने बैंक की भरतपुर शाखा के कर्मचारियों का समर्थन करते हुए बैंक को अभ्यावेदन भेजे हैं।

(घ) बैंक ने इस मामले की जांच के लिये बैंक के एक वरिष्ठ अधिकारी को प्रतिनियुक्त कर दिया है।

Demand to start a Branch of R.B.I. in Kerala

1687 SHRI VAYALAR RAVI Will the Minister of FINANCE be pleased to state

(a) whether Government are aware that the starting of a full fledged branch of the Reserve Bank of India in Kerala is a long standing demand of the people of that State, and

(b) if so, what action Government propose to take in this regard?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRIMATI SUSHILA ROHATGI) (a) and (b). The Reserve Bank has reported that it has been decided in principle to have a regular office building in Trivandrum to be constructed in two phases The building in its first phase will accommodate the existing departments of the Bank already functioning at Trivandrum, namely, the Department of Banking Operations &

Development and the Agricultural Credit Department and a sub-office of the Issue Department offering full range of facilities for exchange of currency and coins will also be opened as soon as the building is ready. As regards other departments, these will be opened as and when the need for them arises.

Overtime in Nationalised Banks

1688. SHRI ANANTHRAO PATIL: Will the Miniser of FINANCE be pleased to state:

(a) whether after nationalisation of Banks the efficiency of staff is on the decrease and overtime is increasing; and

(b) if so, the amount of overtime paid in all the nationalised Banks during 1973-74?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRIMATI SUSHILA ROHATGI): (a) and (b). The amount of over-time payments made in the nationalised banks has increased from Rs 407 lakhs in 1969 to Rs. 844 lakhs in 1973. The main reasons given by the banks for this increase in over-time payments over the years are the following:—

(a) Growth of the business of the banks;

(b) Extensive branch expansion and concomitant increase in number of employees; and

(c) Increase in pay and dearness allowance which are taken into account for calculation of over-time payments.

The banks have explained that there does not appear to be any direct corelation between efficiency of staff and over-time payments, as payment of over-time to staff in banks seems to become necessary primarily because of the seasonal nature of certain types of work, uneven work flow, and the need to complete each day's work on the same day. Apart from these which are inherent in the nature of a bank's business, payment of overtime also depends on several other factors, such as (a) more than normal absenteeism, (b) augmentation of staff not keeping pace with work requirement as recruitment formalities take time, and (c) time taken by the newly appointed staff to acquire proficiency, etc.

Changes in the Credit Policy

1689. SHRI ANANTHRAO PATIL: Will the Miniser of FINANCE be pleased to state whether in view of the restrictions on overdrafts and stoppage of Temporary Overdrawals which are causing great difficulties for small industries and small businessmen, do Government contemplate a change in the credit policy?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI MATI SUSHILA ROHATGI): While announcing the credit policy for the current busy season on 29th October, 1974, the Reserve Bank had emphasized to the commercial banks the need for introducing a greater degree of selectivity in the deployment of further credit to priority sectors such as small scale industry and other small borrowers. Within the framework of this policy small scale industrial units producing inputs for the core sector and wage goods industries are to be preferred to the units in less essential lines. Further, banks have been advised that the policy of giving priority to small Industry as such may be refined in its application so as to accord such treatment more particularly to units having credit limits of Rs. 10 lakhs and below.

Increase in percentage of Financing Agriculturists during 1973-74

1690. SHRI ANANTHRAO PATIL:

Will the Minister of FINANCE be pleased to state whether the percentage of financing the agriculturists has been increased during 1973-74 as compared to 1972-73 and if so, by how much?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI MATI SUSHILA ROHATGI): According to the latest data available the outstanding of direct agricultural advances of scheduled commercial banks to farmers (excludmg plantation) increased from Rs 268 94 crores as at the end of December, 1972 to Rs. 379 70 crores as at the end of December, 1973 registering an increase of 41 2 per cent during the year.

Purchase of Aircraft by Indian Airlines

1691. SHRI ANANTHRAO PATIL: Will the Minister of TOURISM AND CIVIL AVIATION be pleased to state

(a) whether due to shortage of aircraft the Indian Airlines had to increase the frequency on some routes which has resulted in heavy loss due to price hike in aviation spirit;

(b) whether Government propose to purchase new air craft with more seats but less expenditure on fuel and other accessories and if so, with which Company's negotiations are being held; and

(c) whether a decision on placing orders has been taken?

THE MINISTER OF STATE IN THE MINISTRY OF TOURISM AND CIVIL AVIATION (SHRI SURENDRA PAL SINGH): (a) Due to steep increase in the price of aviation fuel, and the decision taken by Indian Airlines to phase out Viscounts and Dakotas, the Corporation has been obliged to recast its schedules, resulting in curtailment of services to 16 cities and reduction in frequencies of services to some others from 18-3-1974. In the Winter Schedule, brought into force from 1-11-1974, it has not been possible to resume services to any of these 16 cities

(b) and (c) Indian Airlines is presently engaged in a detailed study of wide body aircraft for possible induction into its fleet for operation on its heavy density trunk routes. No decision has, however, yet been taken on the number and type of aircraft to be acquired.

Regularisation of Unauthorised Powerlooms

1692. SHRI MADHU LIMAYE:

Will the Minister of COMMERCE be pleased to state:

(a) what action has been taken by the Textile Commissioner, Bombay against persons responsible for regularisation of unauthorised powerlooms in the years 1972 and 1973 and the number of such persons involved; and

(b) whether Government have taken any action against the officers of the Textile Commissioner of Bombay who are involved in these unauthorised regularisations?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI VISHWANATH PRATAP SINGH): (a) and (b). No irregularity has been noticed in the regularisation of any unauthorised powe.loom in 1972 and 1973. The question of taking any action against anybody either by the Textile Commissioner or by the Government does not arise.

Shares of Praja Sahakari Udyog Bharatpur Limited

1693 SHRI MADHU LIMAYE Will the Minister of FINANCE be pleased to state:

(a) have the Government made any enquiry regarding the involvement of the Punjab National Bank in the issue

of shares by Praja Sahakari Udyog Bharatpur Limited; and

(b) what action Government propose to take against the persons involved in this deal?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRIMATI SUSHILA ROHATGI): (a) and (b). The Punjab National Bank has reported that Praja Sahakari Udyog Bharatpur Limited, a registered Co-operative Society, had approached it with a request to act as its bankers for collecting share application money against the bank's usual charges. The bank had agreed to this request, as such a facility is normally afforded by banks to companies issuing shares to the public. Accordingly, the main account of the society was opened at the Bharatpur branch of the bank and instructions were issued by the bank to 102 of its branches for collecting share application money received from the public.

The Punjab National Bank has further reported that, later on, some of the applicants are understood to have approached the police authorities at Bharatpur and expressed their doubts regarding the genuineness of the society. A case of cheating was also registered by the Bharatpur police under sections 420 and 468 of the Indian Penal Code against the society and the police investigations are continuing. The entire money collected by the society both directly and through the bank, except for a small sum withdrawn by the Society, is still with the bank and cannot be withdrawn as the same has been frozen by the police through the issue of seizure notice.

The Punjab National Bank has also reported that the society was, some time back, placed under liquidation by the Assistant Registrar of Co-operative Societies, Rajasthan. The Society had moved the High Court of Rajasthan and got these orders quashed. According to the information furnished by the Punjab National Bank, the Government of Rajasthan have filed an appeal before the Division Bench of High Court of Rajasthan against this judgement of Rajasthan High Court and the proceedings are not yet concluded.

Involvement of Chief Engineer of IA in Renovation and Refurnishing of a Restaurant at Palam Airport

1694. SHRI MADHU LIMAYE: Will the Minister of TOURISM AND CIVIL AVIATION be pleased to state:

(a) what are the findings of the Government regarding the involvement of Mr. J. D. Jijina, Chief Engineer of IAC at Palam, in renovation and refurnishing of a restaurant at Palam Airport; and

(b) whether an air-conditioner belonging to IAC at Palam airport was shifted away to Air Marshal Hussein who is staying in Hyderabad?

THE MINISTER OF STATE IN THE MINISTRY OF TOURISM AND CIVIL AVIATION (SHRI SURENDRA PAL SINGH): (a) and (b). The allegations are under investigation of the Central Bureau of Investigation.

Request from S.T.C. for making available adequate power to Cement Units

1695. SHRI D. B. CHANDRA GOWDA:

Will the Minister of COMMERCE be pleased to state:

(a) whether the State Trading Corporation has sought the intervention of the Central Government for making available adequate power to Cement Units whose production is in the export pipeline; and

(b) if so, the reaction of Government thereon?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI VISHWANATH PRATAP SINGH): (a) Yes, Sir.

(b) At the instance of the Central Government, the Andhra Pradesh State Electricity Board has agreed to release 3.5 million units of electric power to the Tamil Nadu State Electricity Board for supplying the same to cement exporting units in the State of Tamil Nadu to cover their export commitments upto 31st March, 1975

Evasion of Taxes by Tea Warehouses

1696. SHRI ANADI CHARAN DAS: Will the Minister of FINANCE be pleased to refer to the reply given to Unstarred Question No. 5413 on the 20th December, 1974 regarding evasion of taxes by tea companies and state whether the particulars of outstanding central taxes could be ascertained in respect of Balmer Lawrie Company Limited, Calcutta?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PRANAB KUMAR MUKHERJEE): As on 31st December, 1974, Income-tax demands amounting to Rs. 8,993 and Rs. 4,638 respectively for the assessment years 1966-67 and 1967-68 were outstanding against M/s. Balmer Lawrie Company Limited, Calcutta.

Central Excise duty outstanding against M/s. Balmer Lawrie Company Ltd. Calcutta was Rs 3,213. Central Excise duty amounting to Rs. 6,021 is also outstanding against M/s. Biecco Lawrie Company, a subsidiary company of M/s. Balmer Lawrie Company.

Information regarding Customs duty outstanding, if any, against M/s. Balmer Lawrie Company Ltd., Calcutta is being collected and will be laid on the Table of the House.

Export of Sugar during 1975

1697. SHRI VASANT SATHE:

Will the Minister of COMMERCE be pleased to state:

(a) whether Government have taken a decision to increase the export of sugar to seven lakh tonnes during 1975;

(b) if so, the salient features thereof, and

(c) the countries to which the sugar is to be exported and the earnings likely to accrue therefrom?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI VISHWANATH PRATAP SINGH): (a) to (c). The quantity, price and destination of sugar exports during 1975 will depend upon international demand and supply situation. The country will however endeavour to export the maximum possible quantities at best prices, to maximise foreign exchange earnings, keeping in mind domestic requirements.

Export of Sugar during 1975-76

1698 SARDAR SAWARAN SINGH SOKHI: Will the Minister of COMMERCE be pleased to state:

(a) whether sugar would be exported to foreign countries during 1975-76 after meeting the domestic requirements of the country;

(b) if so, the names of the countries and the quantum of sugar to be exported to each country; and

(c) the rates, per quintal, of export and foreign exchange expected to be earned?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI VISHWANATH PRATAP SINGH): (a) Yes, Sir.

(b) and (c). The quantity, price and destination, will depend upon international demand and supply situation. The coluntry will however endeavour to export the maximum possible quantities at best prices, to maximise foreign exchange earnings, keeping in mind domestic requirements.

Offer from Sugar Industry to S.T.C.

1699. SHRI S N. MISRA: Will the Minister of COMMERCE be pleased to state:

(a) whether the sugar Industry has offered 1 10,000 tonnes of sugar for export from its free quota at Rs 3,400 a ton;

(b) whether the State Trading Corporation has turned down the offer; and

(c) if so, the reasons therefor?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI VISHWANATH PRATAP SINGH): (a) Yes, Sir However, the quantity offered is 80,000 M/Ts and the quantity actually procured is 88,000 M/Ts.

(b) No, Sir.

(c) Does not arise.

Petition Challenging Conservation of Foreign Exchange and Prevention of Smuggling Activities Act

1700. SARDAR SWARAN SINGH SOKHI:

Will the Minister of FINANCE be pleased to state:

(a) whether certain smugglers have challenged the Constitutional Validity of the recently enacted Conservation of Foreign Exchange and Prevention of Smuggling Activities Act, in the Supreme Court of India;

(b) whether the petitions challenging the Act have been admitted by the Supreme Court; and

(c) if so, Government's reaction thereto and steps taken in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PRANAB KUMAR MUKHERJEE): (a) Yes, Sir.

(b) The petitions have been admitted for hearing. They are yet to be heard.

(c) Appropriate action is being taken to oppose the petitions.

Deadlock over Indo-Yugoslav Wagon Deal

1701. SHRI HARI SINGH:
SHRI R. S PANDEY:

Will the Minister of COMMERCE be pleased to state:

(a) whether the deadlock over the Indo-Yugoslav wagon deal has since been resolved, and

(b) if so, the salient features of the deal?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI VISHWANATH PRATAP SINGH): (a) Yes, Sir.

(b) In December 1974-January 1975, an Indian delegation visited Belgrade when an agreement was reached on all pending issues. As per this agreement, the number of wagons to be supplied will now be 1300 instead of 3600 as originally contracted for. The price being paid per wagon has been increased approximately by 34 per cent and the final delivery of the wagon is to be completed by December 1978.

Failure of Controlled Cloth Scheme

1702. SHRI VARKEY GEORGE: Will ıe Minister of COMMERCE be pleased › state:

(a) whether Gove'nment's attenion has been drawn to a PTI survey eport which says that the controlled loth scheme has failed to attain its ocial objective; and

(b) if so, what remedial measures ıre being contemplated to ensure peedy fulfilment of the objective?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI VISHWANATH PRATAP SINGH): a) Yes, Sir. The survey has pinpointed the following main drawbacks in the functioning of the controlled cloth scheme

(i) Poor quality of controlled cloth;

(ii) Production of certain items like dhoties and sarees is too meagre to meet the demand;

(iii) Defects in the distributional arrangements.

(b) The following steps have been taken to improve the situation:

(i) With effect from 1st October, 1974, production of grey longcloth, without permission of the Textile Commissioner, has been prohibited

(ii) Revised specifications, effective from 1st March, 1975 have been prescribed for long-cloth, shirting, dhoties and sarees.

2. From 1st January, 1975, the mills have been directed to manufacture at least 20 per cent of their production of controlled cloth in the form of dhoties and sarees.

3. The distribution of controlled cloth allotted to each State is the responsibility of the concerned State Governments. The following guidelines were, however, issued by the Textile Commissioner, in July, 1974, for implementation by all the State Governments·

(a) Steps may be taken to reach the cloth to semi-urban centres with a population of 15,000 to 20,000;

(b) The ration cards/house-hold cards, etc., be made the basis for sale of controlled cloth.

(c) Cloth may be sold to people with a monthly income of less than Rs. 400.

Foreign Private Investment in Indian Industries

1703 SHRI VAYALAR RAVI Will the Minister of FINANCE be pleased to state

(a) the total foreign private investment in Indian industries at the end of 1974 and its country-wise break up, and

(b) the total number of foreign companies which have invested in Indian industries and the total amount they have repatriated in the years 1972-73 and 1973-74 as their shares of profit, charges for technical know-how and other heads?

THE MINISTER OF FINANCE (SHRI C SUBRAMANIAM): (a) According to the latest data available, the total foreign private investment in Indian industries at the end

of 1972 amounted to Rs. 1750.4 crores. The country-wise break up is as given below:—

CORPORATE INDUSTRIAL AND COMMERCIAL ENTERPRISES: OUTSTANDING LONG TERM FOREIGN INVESTMENTS

(Rs. in Crores)

Canada	28 1
France	49 5
West Germany	135·1
Italy	84 1
Japan	54 7
Switzerland	49 -
Sweden	20 0
U.K.	632·3
U.S.A.	185 9
Other countries	121 1
International Institutions	89 0
Total	1750 4

(b) During the Calendar Years 1972, 1973 and 1974 approvals were given in 126 cases for foreign equity investment by non-residents in Indian Industries The total amount remitted abroad towards profits and dividends, and Technical know-how fees during the year 1972-73 was as follows:—

(Rs. in Crores)

(i) Current profits and dividends	46 7
(ii) Technical know-how fees	11 3

Similar data for 1973-74 is not yet available.

Withdrawal of Amount from GPF Deposits by Government Employees

1704. DR H. P. SHARMA:
SHRI DHAMANKAR.
SHRI MOHINDEDR SINGH GILL

Will the Minister of FINANCE be pleased to state:

(a) whether Government have taken note of the fact that Government employees have been drawing heavily from their G.P. Fund deposits in order to meet their day to day needs under one pretext or the other;

(b) whether in order to check these drawals from the G P Fund Government have launched a new G P.F.—linked insurance scheme for Central Government employees; if so, the salient features of the scheme; and

(c) what alternative has been provided to Government employees to replace the drawal facility so curtailed to enable them to meet their requirements of daily-necessities in the context of ever rising prices?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PRANAB KUMAR MUKHERJEE): (a) Advances and withdrawals from Provident Fund are allowed to Central Government employees in accordance with the orders on the subject, with reference to the grounds given by them in their applications.

(b) In order to encourage employees to save more, a scheme has recently been introduced, the details of which are given in the statement laid on the Table of the House.

(c) The scheme does not contemplate curtailing the facility of drawal of moneys from the P.F. deposits.

STATEMENT

With a view to providing extra social security to the families of the Central Government servants and a positive incentive to Central Government employees to save more, Government has introduced a deposit linked Insurance Scheme which provides an insurance cover to the subscribers to the Provident Funds without payment of premium. According to this Scheme, the family of a Central Government employee who dies in harness on or after 8th January,

1975 will be sanctioned an additional amount equal to the average balance in the account of the deceased Government servant in the Fund during the three years immediately preceding death provided the balances in the account had not fallen below the following limits at any time during three years preceding the date of death:

	Rs.
Class I . . .	3,000
Class II . .	2,500
Class III . . .	1,500
Class IV .	1,000

The upper limit upto which the benefit of insurance cover will be available is Rs 10,000. Thus any amount in excess of Rs 10,000 in the Fund will be disregarded for the purpose of extra benefit The scheme will cover only those employees who have put in at least five years' service at the time of death

Measures to check smuggling

1705 SHRI K LAKKAPPA Will the Minister of FINANCE be pleased to state the specific measures taken by Government to meet the menace of smuggling during the last six months

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PRANAB KUMAR MUKHERJEE) Apart from preventive detentions of smugglers and foreign exchange racketeers, measures have been taken to set up preventive checks in vulnerable areas, the distribution centres and on the feeder roads A wireless communication network linking a number of points on the West Coast has also been established Extra staff and equipments have also been provided to field offices for the purpose Ten Norwegian boats fitted with radar and other equipment have been acquired and ten more boats are expected to arrive by March/April this year.

Administrative steps such as bringing more effective officers into position have also been taken. More administrative and legislative measures are under consideration

Arrest of Smugglers in Union Territories

1706. SHRI K. LAKKAPPA: Will the Minister of FINANCE be pleased to state the number of persons arrested in the Union Territories for smuggling during the last three months?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PRANAB KUMAR MUKHERJEE) The number of persons detained under Conservation of Foreign Exchange and Prevention of Smuggling Activities Act, 1974, in the Union Territories from 19-12-74 upto 15-2-75 as follows:

Chandigarh	1
Delhi	4
Goa, Daman & Diu	19
Other Union Territories	Nil

Information regarding number of persons arrested during the last three months under the Customs Act, 1962, is distinct from detentions referred to above is being collected and will be laid on the Table of the House

Acquisition of European Airbus and New Aircraft

1707 SHRI VIJAY PAL SINGH
SHRI S. A MURUGANANTHAM:
SHRI D D. DESAI
SHRI RAJDEO SINGH:

SHRI Y. ESWARA REDDY.
SHRI G. P YADAV:

Will the Minister of TOURISM AND CIVIL AVIATION be pleased to state:

(a) whether a pre-feasibility study has favoured for acquiring European Airbus as the aircraft for the Fifth Five Year Plan period;

(b) if so, the broad outlines of the study; and

(c) the decision of Government on acquiring new aircraft during the Fifth Five Year Plan?

THE MINISTER OF STATE IN THE MINISTRY OF TOURISM AND CIVIL AVIATION (SHRI SURENDRA PAL SINGH): (a) to (c). Indian Airlines are presently examining the economics of different types of wide-body aircraft for possible induction in their fleet during the Fifth Five Year Plan period on the heavy density trunk routes. No decision has yet been taken regarding the number and type of aircraft to be acquired.

Cooperative Banks for Financing Handloom Weavers

1708. SHRI C. JANARDHANAN. Will the Minister of COMMERCE be pleased to state:

(a) whether a conference of the Ministers in charge of Handloom in the Southern States has urged for establishment of cooperative banks for financing handloom weavers in cooperative sector; and

(b) if so, the particulars thereof and reaction of Government thereto?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI VISHWANATH PRATAP SINGH): (a) Yes, Sir.

(b) It has been suggested that a separate cooperative central bank be established for financing the handloom weavers in the cooperative sector and the Reserve Bank of India should be directed to route the finances required by the handloom cooperatives through this central cooperative bank. The proposal will be examined in consultation with the Reserve Bank of India.

New Textile Policy

1709. SHRI C. JANARDHANAN:
SHRI ISHAQUE SAMBHALI

Will the Minister of COMMERCE be pleased to state:

(a) whether Government have formulated a new textile policy;

(b) if so, whether Government had any consultation with the State Governments while formulating that policy, and

(c) if so, the main features of the new policy?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI VISHWANATH PRATAP SINGH): (a) to (c). The guidelines for licensing of additional spindleage and loomage in the cotton textiles industry during the Fifth Plan Period have been announced in a Press Note issued by the Textile Commissioner on 30th December, 1974. While no specific consultations were held with State Governments, their views as communicated from time to time, were kept in mind in formulating the guidelines. According to the guidelines announced, Government propose to allow further expansion in the cotton textile industry by the installation of 1.6 million spindles and 10,000 looms. Creation of spinning capacity will be encouraged in areas where there is an unsatisfied demand for yarn for handloom and powerlooms weavers and areas which have

a cotton surplus keeping in view the objective of bringing about a better dispersal of spinning capacity to cater effectively to the needs of the weavers throughout the country. All applications recommended by the State Governments and satisfying the above criteria will be considered favourably.

Import of Raw Cashew

1710. SHRI P. R. SHENOY: Will the Minister of COMMERCE be pleased to state:

(a) the total demand for import of raw cashew in the year 1974-75 and the actual quantity imported so far; and

(b) the steps taken to reduce the gap between demand and availability of raw cashew?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI VISHWANATH PRATAP SINGH): (a) There is an assessed gap of more than 3 lakh tonnes in the installed capacity of the cashew processing units in the country and the supply of indigenous raw nuts. Against this we have been importing annually an average quantity of 1.70 lakh tonnes. During the period of April 1974 to January 1975 the imports have been 1,32,355 tonnes.

(b) Arrangement has already been made with Kenya for supply of cashew nuts and negotiations with Tanzania and Mozambique are in progress. A delegation from Tanzania and Mozambique is expected in early March, 1975, when all attempts will be made to resume early supply of raw nuts for the industry.

Separately steps are also being taken to increase indigenous production through various schemes including plantation in new areas. These are however, long gestation projects.

Export of Tiles

1711. SHRI P. R. SHENOY: Will the Minister of COMMERCE be pleased to state:

(a) the total amount earned by export of tiles during the years 1972-73, 1973-74 and 1974-75;

(b) the countries to which tiles are exported at present with number of tiles exported to each country; and

(c) the steps taken by Government to improve its export?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI VISHWANATH PRATAP SINGH): (a) and (b) A statement is placed on the Table of the House [*Placed in Library. See* No LT-3047/75]

(c) Import replenishment for the imported raw materials and cash compensatory support against the export of glazed tiles are two major steps to promote their exports.

Uniform Service Conditions in Nationalised Banks

1712. SHRI P. R. SHENOY: Will the Minister of FINANCE be pleased to state:

(a) whether there is a proposal for uniform service conditions in nationalised banks; and

(b) if so, the steps taken by Government to frame the conditions?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRIMATI SUSHILA ROHATGI): (a) and (b). In so far as the workmen employees of the nationalised banks are concerned, there is a large measure of uniformity in their service conditions, as a result of the awards of National Tribunals and bi-partite settlements which cover all the nationalised banks.

As regards officer employees of the nationalised banks, Government had sometime back appointed a Committee under the Chairmanship of Shri V. R. Pillai for standardisation of pay scales, allowances and perquisites of these staff. The recommendations of the Committee are under examination of the Government. As regards framing of uniform regulations governing the conduct and discipline of officer employees in the nationalised banks, the matter is under Government's consideration

Closure of Cashew Factories in Kerala

1713. SHRI VARKEY GEORGE Will the Minister of COMMERCE be pleased to state:

(a) whether about 150 cashew factories in Kerala face the threat of closure due to the non-availability of raw-nuts, and

(b) if so, the steps being proposed to remedy the situation?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI VISHWANATH PRATAP SINGH) (a) As the availability of raw cashew nuts is not enough to meet the requirement of cashew processing industry, partial and periodic closure of some of the units is a normal feature of the industry. This position has been aggravated this year because arrangements for import of raw nuts from some of the African countries have not been finalised.

(b) Arrangement has already been made with Kenya for supply of cashew nuts and negotiations with Tanzania and Mozambique are in progress. A delegation from Tanzania and Mozambique is expected in early March, 1975, when all attempts will be made to resume early supply of raw nuts for the industry.

Separately steps are also being taken to increase indigenous production through various schemes including plantation in new areas. These are, however, long gestation projects.

Proposal to Enhance the Rate of Replanting Subsidy

1714. SHRI VARKEY GEORGE: Will the Minister of COMMERCE be pleased to state.

(a) whether Government are aware that the rubber growers in the country are unable to meet the present cost of production due to the steep rise in the cost of inputs;

(b) whether Government propose to enhance the rate of replanting subsidy, and

(c) if so, the particulars thereof?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI VISHWANATH PRATAP SINGH): (a) The Government are aware that there has been increase in the cost of production of rubber, but the market price of rubber now ranges higher than the minimum notified prices

(b) and (c). The proposal to revise the rate of replanting subsidy is being examined by Government.

Schemes for Developing Cashewnut Industry

1715 SHRI VARKEY GEORGE. Will the Minister of COMMERCE be pleased to state·

(a) whether the Central Government have approved a scheme to develop the Cashewnut Industry; and

(b) if so, the main features thereof?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI VISHWANATH PRATAP SINGH): (a) and (b). The Central Government

has not approved any scheme to develop Cashewnut Processing Industry in the country as the installed capacity in the country is already much more than the supply of raw nuts. The efforts of the Central Government have been to stabilize this industry by bridging the gap between supply and demand of raw nuts by imports as well as by stepping up indigenous production

Seizure of Contraband Goods

1716 SHRI CHANDER SHEKHAR SINGH Will the Minister of FINANCE be pleased to state

(a) whether during the raids in Gujarat and Bihar, from December, 1974 to February, 1975, a number of contraband articles worth lakhs of rupees and unaccounted money and cash were found;

(b) if so, the particulars of such raids;

(c) the action taken against guilty persons;

(d) whether Government are aware that Government employees are also involved in smuggling rackets and such other deals; and

(e) if so, the number of Government employees arrested so far?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PRANAB KUMAR MUKHERJEE): (a) to (e). The information is being collected and the same will be laid on the Table of the House.

Shortage of customs staff at Delhi Airport

1717 SHRI SUKHDEO PRASAD VERMA: Will the Minister of FINANCE be pleased to state·

(a) whether Government are aware that paucity of customs staff causes delay in customs clearance at Delhi Airport, and

(b) if so, whether Government propose to deploy additional staff?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PRANAB KUMAR MUKHERJEE)· (a) and (b) No cases of delay in Customs clearance at the Delhi Airport due to paucity of Customs staff have been brought to the notice of the Government Adequate Customs staff has already been posted at the Airport and the position is reviewed from time to time.

Steps suggested by Centre to State Government of Bihar to cut down unproductive expenditure

1718 SHRI SUKHDEO PRASAD VERMA· Will the Minister of FINANCE be pleased to state the necessary steps suggested by the Centre to the State Government of Bihar in order to cut down unproductive expenditure during the year 1974-75 and how far the State Government achieved the desired result?

THE MINISTER OF FINANCE (SHRI C SUBRAMANIAM)· The State Government were advised to curtail non-essential, low priority and unproductive expenditures The State Government have reported having undertaken a number of economy measures, which, *inter alia*, include a cut of 12½ per cent in non establishment expenditure and 33 1/3 per cent in non-Plan construction and maintenance expenditure The State Government estimated that the economy measures would lead to a saving of Rs 14 crores in the current financial year.

Misappropriation of money through false claims by officials of General Insurance Units

1719 SHRI NAVAL KISHORE SHARMA

SHRI R S PENDEY

SHRI DHAMANKAR

Will the Minister of FINANCE be pleased to state

(a) whether a preliminary inquiry by the CBI has shown that crores of rupees have been misappropriated by some officials of general insurance units since nationalisation through adjustment of false claims and

(b) if so, when the final report in the matter is expected?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRIMATI SUSHILA ROHATGI) (a) and (b) No cases of misappropriation through adjustment of false claims have come to notice in respect of the New India Assurance Company Limited Bombay and the Oriental Fire and General Insurance Co Ltd New Delhi As regards the National Insurance Co Calcutta, one case involving a sum of about Rs 10 000 has been investigated by the CBI Information in respect of the United India Fire and General Insurance Company is being collected and will be laid on the Table of the House as soon as available.

Searches by Income Tax Authorities in Calcutta

1720 SHRI NAWAL KISHORE SHARMA Will the Minister of FINANCE be pleased to state

(a) whether Income tax authorities have launched a house to house search of accounts in the banks in Calcutta;

(b) the extent to which this search has been successful in unearthing black money,

(c) whether similar searches are being carried out in other parts of the country, and

(d) if so, the particulars thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PRANAB KUMAR MUKHERJEE) (a) No Sir

(b) to (d) Do not arise

Indebtedness of salaried employees

1721 SHRI NAWAL KISHORE SHARMA Will the Minister of FINANCE be pleased to state

(a) whether Government are aware that according to survey report published in the latest RBI Bulletin 46 per cent salaried people owe Rs 249 crores in debt and

(b) if so, the steps proposed to be taken by Government to provide relief to the salaried class to wipe out debts other than those undertaken for purchase/construction and repairs of property?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PRANAB KUMAR MUKHERJEE) (a) A press report to that effect purporting to be based on a Reserve Bank bulletin on a survey on indebtedness of non-manual employee households in urban areas conducted between July 1970 and June 1971 has come to notice

(b) No specific action with refernce to the report is being taken at present.

जाली नोटों का प्रचलन

1722. श्री शकर दयाल सिह क्या वित्त मत्री यह बताने की कृपा करेंगे कि .

(क) गत एक वर्ष के दौरान 100, 20, 10 तथा 5 रुपयों के कितने नये नोट जारी किये गये तथा इतने ही राशियो के कितने पुराने नोटो को उस अवधि में रद्द किया गया,

(ख) क्या उपर्युक्त राशियो के बहुत सारे जाली नोट प्रचलन मे है तथा इसमे कुछ विदेशी तत्वो का भी हाथ है, और

(ग) यदि हा, तो उसका ब्यौरा क्या है ?

वित्त मत्रालय में राज्य मत्री (श्री प्रणब कुमार मुखर्जी) (क) 1974 के केलेण्डर वर्ष मे जारी किये गये नोटो की सख्या इस प्रकार है –

मूल्य वर्ग	सख्या (लाखो मे)
100 रुपये	1410
20 रुपये . .	1510
10 रुपये . .	9160
5 रुपये . .	6660

उसी वर्ष रद्द किये गये नोटो की सख्या इस प्रकार है —

मूल्य	सख्या
100 रुपये . .	61,450,992
20 रुपये . .	10,026,045
10 रुपये . .	518,996,297
5 रुपये . .	435,708,738

(ख) और (ग). 1974–75 मे (31–12–74) तक पुलिस द्वारा चलन मे पाये गये और छापे मार कर पकड़े गये नोटो की सख्या निम्न प्रकार है.—

मूल्य	(संख्या) 1974–75 (दिसम्बर) 1974 तक	
	चलन मे पाये गये	पकडे गये
100 रुपये	237	200
20 रुपये	65	71
10 रुपये	331	7492
5 रुपये	168	376

चूकि जाली नोट पता लगते ही जब्त कर लिये जाते है इसलिए यह सम्भव नही है कि चलन मे बहुत से जाली नोट है। इस बात का कोई सबूत नही है कि जाली नोटो के मामले मे विदेशी तत्व शामिल है।

Prices of Essential Commodities

1723 SHRIMATI BHARGAVI THANKAPPAN:
SHRI ISHAQUE SAMBHALI:
SHRI S. M. BANERJEE:

Will the Minister of FINANCE be pleased to state:

(a) whether prices of almost all essential commodities have shown further increase during the years 1974-75;

(b) if so, the percentage of increase in wholesale and retail prices index and how does it compare with the corresponding period of preceding years; and

(c) the reasons attributed thereto and steps taken or proposed to be taken in this regard?

THE MINISTER OF FINANCE (SHRI C. SUBRAMANIAM): (a) During 1974-75 prices tended to rise upto the third week of September Subsequently, there has been a decline which is still continuing.

(b) The Wholesale Price Index rose by 11 4 per cent in the first 10 months of 1974-75, the increases in the corresponding periods of 1972-73 and 1973-74 were 11.1 per cent and 23.4 per cent respectively. As for the Consumer Price Index, it rose by 18.5 per cent in the first 9 months of 1974-75; the increases in the corresponding periods of 1972-73 and 1973-74 and 8.2 per cent and 20.4 per cent respectively.

(c) The principal factors which aggravated the prices situation were a fall in agricultural production during 1971-72 and 1972-73 virtual stagnation in industrial production in 1973-74 and a steep rise in international prices of important inputs like petroleum and petroleum products, fertilizers and metals Hoarding and speculative activities also played their part in pushing up prices Consequently, measures were taken to secure increases in production, both of agricultural and industrial commodities, and, to the extent possible, to supplement domestic supplies by imports. In order to deal more effectively with hoarding and profiteering the provisions of the Essential Commodities Act were made more stringent through the promulgation of an Ordinance in June 1974 Smuggling was also brought within the ambit of the Maintenance of Internal Security Act in September 1974. A number of steps were taken to mop up the excess liquidity in the economy through (i) immobilisation of the increases in wages and salaries for one year, and half of the increase in Dearness Allowance for two years payable after 6th July 1974 (ii) restriction on the distribution of dividends by companies and (iii) compulsory deposits by all income-tax payers whose income exceeds Rs. 15,000 in a year. In addition, credit restrictions were tightened.

While the above measures have had an impact on inflationary pressures, the existing imbalances in the economy require that a careful watch be kept on the situation, further action in this regard will be taken by Government as and when considered necessary.

Amount of Currency Notes in Circulation

1724 SHRIMATI BHARGAVI THANKAPPAN Will the Minister of FINANCE be pleased to state;

(a) the total amount of currency notes at present in circulation in the country;

(b) whether the currency in circulation has risen further as compared to that in January, 1974; and

(c) the steps taken or proposed to be taken to bring down the currency in circulation in the country?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PRANAB KUMAR MUKHERJEE): (a) The total amount of currency notes in circulation as on 31st January, 1975 was Rs 6185 crores

(b) The currency with the public rose during 1974-75 only by Rs. 158 crores (2 6 per cent) as compared with larger expansion of Rs. 901 crores (17.6 per cent) during the corresponding period of 1973-74.

(c) The incremental ratio of currency in money supply or the proportion of currency in the expansion of money supply has already declined from 57.4 per cent in 1973-74 to 19.2 per cent in 1974-75. Demand Deposits increased by Rs. 665 crores as compared with Rs. 689 crores in 1973-74. As a result money supply increased by only Rs. 823 crores (7.9 per cent) during 1974-75 as compared with Rs. 1590 crores (18.1 per cent)

in 1973-74. Regulation of currency expansion forms part of the overall package of anti-inflationary measures taken by the Government and the Reserve Bank of India.

Financial Assistance to Kerala through Reserve Bank of India

1725. SHRIMATI BHARGAVI THANKAPPAN: Will the Minister of FINANCE be pleased to state:

(a) whether the Central Government are aware of the present critical financial position of Kerala; and

(b) if so, the steps Government have taken to provide financial assistance to that State through the Reserve Bank of India?

THE MINISTER OF FINANCE (SHRI C. SUBRAMANIAM): (a) and (b) The Government of Kerala have sought ways and means accommodation to tide over their anticipated deficit at the close of February, 1975. The Central Government have assisted the State by making an advance release of Rs. 3 crores on account of Central assistance for the State Plan.

Tourists visited India during 1974

1726. SHRIMATI BHARGAVI THANKAPPAN: Will the Minister of TOURISM AND CIVIL AVIATION be pleased to state:

(a) whether there was any increase in the number of tourists to India during 1974;

(b) if so, the percentage of increase as compared to previous two years and the total amount of foreign exchange earned during 1974; and

(c) the names of the countries from where maximum tourists came to visit India?

THE MINISTER OF STATE IN THE MINISTRY OF TOURISM AND CIVIL AVIATION (SHRI SURENDRA PAL SINGH): (a) and (b). Yes, Sir. Tourist arrivals in India recorded an increase of 3.2 per cent in 1974 as against an increase of 19.5 per cent in 1973 and 13.9 per cent in 1972. Foreign exchange earnings from tourism during 1974 are estimated at Rs. 69.7 crores.

(c) The countries from where maximum number of tourists came to India were the United Kingdom, United States of America, West Germany, Sri Lanka and France.

Air India Pilots

1727 SHRI S. M. BANERJEE: Will the Minister of TOURISM AND CIVIL AVIATION be pleased to state:

(a) whether the three Air India pilots, whose services were terminated, have not yet been reinstated;

(b) if so, the reasons therefor; and

(c) whether these pilots were regarded as ace pilots by Air India?

THE MINISTER OF STATE IN THE MINISTRY OF TOURISM AND CIVIL AVIATION (SHRI SUDENDRA PAL SINGH): (a) and (b). Three pilots of Air-India were dismissed from service with effect from the 12th September 1974 as a result of disciplinary proceedings. On appeals by the three pilots concerned, the Appellate authority reduced the punishment from dismissal to removal from service.

(c) . There is no such rating as Ace Pilots in Air-India.

Airport building in Kanpur

1728. SHRI S. M. BANERJEE: Will the Minister of TOURISM AND CIVIL AVIATION be pleased to state:

(a) what further progress has been made to build an airport building in Kanpur;

(b) the amount sanctioned for the same; and

(c) when the work is likely to be started and completed?

THE MINISTER OF STATE IN THE MINISTRY OF TOURISM AND CIVIL AVIATION (SHRI SURENDRA PAL SINGH): (a) to (c). No decision has so far been taken on the proposal for having an airport building in Kanpur. The matter is under consideration.

Investment of Funds by LIC in Large Industrial Houses in Private Sector

1729. SHRI M. KATHAMUTHU: Will the Minister of FINANCE be pleased to state:

(a) whether LIC has invested its funds more in large industrial houses in the private sector;

(b) whether it has decided to continue this process; and

(c) if so, the reasons therefor?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRIMATI SUSHILA ROHATGI): (a) As compared to this position as on 31st March, 1973, the outstanding investment of LIC in large industrial houses as on 31st March, 1974 increased from Rs. 169.67 crores to Rs. 174.39 crores.

(b) According to the latest decision, L.I.C. can invest in private sector not more than 10 per cent of the accretion to its controlled fund in a year. Subject to this, LIC invests both in concerns belonging to Large Industrial Houses as well as in other concerns, the main emphasis being on the safety of the capital and yield obtainable therefrom.

(c) The high proportion of its investments in large and larger Houses is because investment opportunities in ventures controlled by these groups are much greater then in other concerns as when a company is large its operations are wide spread and opportunities for investment are also greater. In the case of a large industrial House, grant of term loans and underwriting of shares or direct subscription to shares and/or debentures, by L.I.C. is done on consortium basis jointly with other financial institutions .

Fall in credit deposit ratio of Commercial Banks

1730. SHRI K. M. MADHUKAR: Will the Minister of FINANCE be pleased to state:

(a) whether the credit deposit ratio of the commercial banks has fallen considerably during 1974 as compared to the previous year; and

(b) if so, the particulars thereof and the reasons therefor?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRIMATI SUSHILA ROHATGI). (a) and (b). During the calendar year 1974, the accent of the credit policy all through was on containing credit expansion within reasonable limits. The credit deposit ratio of scheduled commercial banks was, as a result, marginally lower at 69.18 per cent as on the last Friday of December, 1974 compared to that of 70 10 per cent as on the last Friday of December, 1973.

Exports by Mysore Minerals Limited

1731. SHRI K LAKKAPPA: Will the Minister of COMMERCE be pleased to state:

(a) whether Mysore Minerals Limited is not allowed to make exports on its own by the Minerals and Metals Trading Corporation;

(b) whether any complaint has been received recently by Government in this regard; and

(c) the steps taken by Government to end the intervention of M.M.T.C. in the matter of exports by Mysore Minerals Limited?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI VISHWANATH PRATAP SINGH): (a) to (c). Mysore Minerals Ltd., can export directly non-canalised items. In respect of canalised items, exports can be made only through the canalising agency, viz., Minerals and Metals Trading Corporation Government of Karnataka had proposed that Mysore Minerals Ltd. might be allowed to exprt iron ore and manganese ore produced by it direct. This would not be possible, as it would be contrary to the Government's canalisation policy.

Export of ready-made Garments

1732. SHRI K. LAKKAPPA: Will the Minister of COMMERCE be pleased to state:

(a) the total value of exports of ready-made garments during the last four months as compared to the corresponding period of last year; and

(b) the factors responsible for increase/decline?

THE DEPUTY MINISTER IN THE MINSITRY OF COMMERCE (SHRI VISHWANATH PRATAP SINGH): (a) As compared to the exports of ready-made garments worth Rs. 28.824 crores during September—December, 1973 (4 months), the exports during September—December, 1974 (4 months) are estimated to be of the order of Rs. 28.899 crores.

(b) There is no appreciable increase/decline in the exports, hence the question does not arise.

Growth Rate of Tourism

1733. SHRI S. A. MURUGANANTHAM: Will the Minister of TOURISM AND CIVIL AVIATION be pleased to state:

(a) whether the growth rate of Tourism in the year 1974 has declined; and

(b) if so, the facts thereof and the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF TOURISM AND CIVIL AVIATION (SHRI SURENDRA PAL SINGH): (a) and (b). The growth rate in tourism during 1974 was 3.2 per cent as against 19.5 per cent recorded in 1973. However in terms of absolute numbers the tourist traffic increased by 13,266 during 1974 over 1973.

The various factors that have affected tourist flow are the high cost of fuel resulting in an increase in international air fares, inflation in the originating countires which have cut down tourists' funds for leisure-time activities, strike in Indian Airlines, the Railway strike and the Air India lock-out. It is somewhat reassuring that we could still maintain some growth in tourist arrivals as against an estimated decline of 3 per cent in world tourism in 1974.

Rate of Interest offered by Nationalised Banks for fixed Deposits

1734. SHRI R. S. PANDEY: Will the Minister of FINANCE be pleased to state·

(a) whether rate of interest offered by nationalised banks for public fixed deposits vary from bank to bank *e.g.* Punjab National Bank offers 11 per cent interest for one year deposits of Rs. 3000|- and above while State Bank of India only 8 per cent in simi'ar cases; and

(b) if so, the reasons for such variations?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRIMATI SUSHILA ROHATGI): (a) and (b). No Sir. The rates of interest payable by all scheduled commercial banks including the nationalised banks on public deposits of varying maturities are laid down by the Reserve Bank of India. The schedule of interest

rates currently payable by the scheduled commercial banks for different categories of deposits is set out with statement below:—

STATEMENT

*Rates of interest on deposits payable by Scheduled Commercial Banks (effective from 23-7-1974)**

Class of Deposits	(percent per annum)
A. Current accounts, deposits, upto 14 days and deposits subject to withdrawal or repayment by notice for period of 14 days or less	No interest except with the prior approval of the Reserve Bank of India.
B. Savings accounts.	5 0
C. *Term Deposits*	
1. For deposits for 15 days to 45 days and for deposits subject to withdrawal or repayment by notice for a period not exceeding 45 days .	3 0
2. For deposits for 46 to 90 days and for deposits subject to withdrawal or repayment by notice for a period exceeding 45 days but not exceeding 90 days .	3 5
3. For deposits for 91 days and above but less than 6 months . . .	5 5
4. For deposits for 6 months and above but less than 9 months . .	6 0
5. For deposits for 9 months and above but less than 1 year	7 0
6. For deposits for 1 year and above but less than 3 years	8 0
7. For deposits for 3 years and above but up to and inclusive of 5 years .	9·0
8. For deposits above 5 years	10 0

**Note*: (1) Scheduled Commercial Banks incorporated in India with aggregate demand and time liabilities of less than Rs. 25 crores are allowed to pay, at their discretion, a rate higher by 0·25 per cent per annum over the rates prescribed on their term deposits upto and inclusive of 5 years.

(2) Scheduled Commercial Banks incorporated in India and having aggregate demand and time liabilities of Rs. 10 crores and above but less than Rs. 25 crores shall pay interest at 5 25 per cent per annum on their savings deposits. Scheduled Commercial Banks incorporated in India and having aggregate demand and time liabilities of less than Rs. 10 crores will pay interest at the rate of 5 50 per cent per annum on deposits maintained in savings accounts.

(3) The provisions of the directive are not applicable to a deposit account opened in the name of a member or an ex-member of a bank's staff, either singly or jointy with any other person or the widow of a person, who was formerly a member of the bank's staff, or an association or a fund, all members of which are members of the bank's staff, or a deposit made by a banking institution or a co-operative bank other than a land development bank.

Action against Customs Officials

1735 SHRI R S. PANDEY:
SHRI D. P JADEJA:
SHRI ARVIND M. PATEL:

Will the Minister of FINANCE be pleased to state:

(a) whether a sizeable number of customs officials has recently been charge sheeted;

(b) if so, the number of such officials; and

(c) the charges against them?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PRANAB KUMAR MUKHERJEE): (a) to (c). The information is being collected and will be laid on the Table of the House.

Resources of Unit Trust of India

1736. SHRI N. E. HORO: Will the Minister of FINANCE be pleased to state:

(a) whether financial circles have been divided in their opinion about Unit Trust of India units being an eli-

gible security for investment of provident fund accounts in the light of the amendment of the Indian Trust Act, 1882 through the recent Ordinance;

(b) whether provident fund money cannot be invested in units because Government have not made any specific provision while amending the Indian Trust Act: and

(c) whether Government want the resources of the Unit Trust to be strengthened and if so, the broad features of the policy of Government in this regard?

THE MINISTER OF FINANCE (SHRI C. SUBRAMANIAM): (a) Government have no such information.

(b) Yes, Sir.

(c) Government had promulgated the Trust Laws (Amendment) Ordinance, 1975 on 7th January, 1975 in order to promote the sale of units by Unit Trust of India and to curb the resale of units by Unit holders. The Ordinance provides for the grant of further relief from income tax to the extent of Rs 2000 for income from units over and above the existing limit of Rs. 3000 already available under Section 80L of the Income Tax Act, 1961 in respect of certain approved investments including units, and also provides for further exemption upto Rs. 25,000 from wealth-tax on investments in Units over and above the existing exemption limit under Section 5 of the Wealth-tax Act, 1957 in respect of the investments including units specified in that Section. In addition, the units issued by the Unit Trust of India will be eligible to be treated as 'trustee securities' under the Indian Trusts Act and the amounts payable to the nominees of Unit-holders will, subject to certain conditions, vest in the nominees.

New Procedure to Circumvent Irregularities in Rags Import

1737. SHRI N. E. HORO: Will the Minister of COMMERCE be pleased to state:

(a) whether Central Government have evolved any new procedure to circumvent the irregularities noted in the rags imported in the previous years; and

(b) if so, the main features thereof?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI VISHWANATH PRATAP SINGH): (a) and (b). Yes, Sir. The definition of rags has been revised so as to provide that in case serviceable garments have been imported, they will have to be mutilated before release by Customs authorities. The S.T.C., through which import of rags is canalised, will ensure cent per cent mutilation of such consignments under the supervision of the officers of Textile Commissioner and Chief Controller of Imports and Exports under over-all surveillance of the Customs authorities, before their release to importers. The mutilation is to be done within the port area.

Scheme to provide Additional Benefits to Families of Government Employees

1738. SHRI N. E. HORO:
SHRI K. MALLANNA:
SHRI ARJUN SETHI:

Will the Minister of FINANCE be pleased to state:

(a) whether Government have announced a Scheme to provide additional benefits to the family of any employee, who dies in harness on or after January, 1975; and

(b) if so, the salient features thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PRANAB KUMAR MUKHERJEE): (a) and (b). With a view to providing extra social security to the families of the Central Government servants and a positive incentive to Central Government employees to save more, Government has introduced a deposit linked Insurance Scheme which provides

an insurance cover to the subscribers to the Provident Funds without payment of premium. According to this Scheme, the family of a Central Government employee who dies in harness on or after 8th January, 1975 will be sanctioned an additional amount equal to the average balance in the account of the deceased Government servant in the Fund during the three years immediately preceding death provided the balance in the account had not fallen below the following limits at any time during three years preceding the date of death:—

	Rs.
Class I . . .	3,000
Class II . . .	2,500
Class III . . .	1,500
Class IV . . .	1,000

The upper limit upto which the benefit of insurance cover will be available is Rs. 10000. Thus any amount in excess of Rs. 10,000 in the Fund will be disregarded for the purpose of extra benefit. The Scheme will cover employees who have put in at least 5 years' service at the time of death

Export of Fruits

1739. SHRI M. V. KRISHNAPPA: Will the Minister of COMMERCE be pleased to state:

(a) whether there is a great demand of Indian fruits in some of the foreign countries;

(b) if so, the names of such countries which at present are importers of Indian fruits; and

(c) the steps taken by Government to boost the export of fruits and foreign exchange likely to be earned during 1975-76 as a result of this export?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI VISHWANATH PRATAP SINGH): (a) Yes, Sir.

(b) Gulf countries, U.K., West Germany, France, Malaysia, Singapore, Hongkong, Bangladesh and Nepal are the main importers of Indian fruits.

(c) As an incentive to exporters they are allowed 5 per cent import replenishment for importing packaging material against the exports made by them.

The foreign exchange earnings from export of fresh fruits during 1975-76 are likely to be of the order of Rupee One crore.

Conversion of Tea Warehouses into Bonded Warehouses

1740. SHRI M. V. KRISHNAPPA: Will the Minister of COMMERCE be pleased to state:

(a) whether there is any proposal under consideration of Government to convert tea warehouses into bonded warehouses; and

(b) if so, the broad outlines of the proposal?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI VISHWANATH PRATAP SINGH): (a) No, Sir.

(b) Does not arise

Filling up of sanctioned Posts in S.P.M., Hoshangabad

1741. SHRI NITIRAJ SINGH CHAUDHARY: Will the Minister of FINANCE be pleased to state:

(a) why sanctioned posts in Hoshangabad Security Paper Mills have not been filled in spite of junior employees eligible for appointment being available; and

(b) the period for which the posts have remained unfilled?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PRANAB KUMAR MUKHERJEE):

(a) and (b). The information is being collected and will be laid on the Table of the House as soon as possible.

Rated paper production capacity of S.P.M., Hoshangabad

1742. SHRI NITIRAJ SINGH CHAUDHARY: Will the Minister of FINANCE be pleased to state:

(a) whether the rated paper production capacity of Security Paper Mill, Hoshangabad and actual paper production is as per rated capacity and if not, how much short it is;

(b) the reasons for the difference:

(c) the maximum production given on any day and why it has not been maintained; and

(d) whether this production is proposed to be increased by increasing the number of employees?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PRANAB KUMAR MUKHERJEE): (a) The rated production capacity of the Security Paper Mill, Hoshangabad is 2.700 M.T. per annum. The actual production achieved so far, over the years, is as follows:—

	M.T.
1969-70 . . .	2,582
1970-71 . . .	2,577
1971-72 . . .	2,629
1972-73 . . .	2,134
1973-74 . . .	1,760
1974-75 (Expected) . . .	2,600

(b) The difference has been small and quite normal except in the years 1972-73 and 1973-74 when the difference became large due to labour problems in the Mill.

(c) The maximum production was 12.4016 M.T. on 3-2-1975 yearly production is a variable figure depending on the denomination of paper with different g.s.m. produced and also the absenteeism among the labour which fluctuates.

(d) A proposal to increase production by 7 days continuous working of the Mill as also by implementation of the Expert Committee reports on job recategorisation both of which may involve increasing the strength of the employees, is under consideration.

Appointment of Commission for Job Classification of Security Paper Mill, Hoshangabad

1743. SHRI NITIRAJ SINGH CHAUDHARY: Will the Minister of FINANCE be pleased to state:

(a) whether a commission for job classification of S.P.M., Hoshangabad under the Chairmanship of Shri R. N. Mehta was appointed by the President of India;

(b) whether the Union bycotted the Commission because it was not given equal representation;

(c) whether this resulted in lay off and strike on 27th September, 1974;

(d) whether this commision has submitted its report and if so, the broad outlines of its recommendations; and

(e) the reasons why Government are not negotiating with even a single recognised Union?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PRANAB KUMAR MUKHERJEE): (a) Yes, Sir, an Expert Committee was appointed in April, 1973.

(b) The Union bycotted the Committee even after being given equal representation.

(c) No, Sir.

(d) Not yet, Sir.

(e) The management negotiates whenever necessary.

Lay off declared by Management of S.P.M. Hoshangabad

1744. SHRI NITIRAJ SINGH CHAUDHARY: Will the Minister of FINANCE be pleased to state:

(a) whether Security Paper Mills, Hoshangabad management declared lay off from 18th September, 1973;

(b) total strength of employees and daily production during the period of lay off;

(c) whether employees tried to report for duty during the period of lay off but were not allowed to do so;

(d) whether the machines were working then; and

(e) whether it was agreed upon by Government on or about 25th May, 1974 to pay 75 per cent wages for the lay off period but the same have not yet been paid?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PRANAB KUMAR MUKHERJEE): (a) Consequent on the strike by a number of employees from 16th September, 1973, partial 'lay off' was declared from 17th September, 1973 in those sections of the Mill where no work could be provided for.

(b) The total strength of employees including Officers on the rolls during the period of 'lay off' was 1112. There was no production during the period of 'lay off'.

(c) No employee reported for duty till the strike was called off from 10th October, 1973. Lay off was lifted in short stages as and when the employees of particular sections reported for duty and work could be provided for them.

(d) No, Sir, not during the strike period.

(e) The question of paying lay-off wages during the period of strike does not arise. As and when the employees reported for duty after strike was called off, lay-off was lifted and full wages were paid to the employees.

Fall in value of rupee in relation to Rouble

1745. SARDAR SWARAN SINGH SOKHI:
SHRI M. S. PURTY:

Will the Minister of FINANCE be pleased to state:

(a) whether there has recently been any devaluation of Indian Rupee in U.S.S.R.;

(b) whether the exchange value in relation to the Soviet Rouble has further declined touching the lowest level so far, and

(c) if so, its affects on the Indian Economy, and Soviet aid for expansion of steel plants and other industries, in the country?

THE MINISTER OF FINANCE (SHRI C. SUBRAMANIAM): (a) and (b). There has been no devaluation of the Indian Rupee in relation to the Rouble. However, the State Bank of the USSR has been revising the exchange rate of the Indian Rupee in relation to the Rouble for non-commercial transactions within the USSR, particularly since 1st March, 1974. The rate notified by that Bank effective from 1st December, 1974 was Rs. 100— Roubles 9.27 as against the rate of Rs. 100=Roubles 9.51 notified in March 1974. This rate is different from the exchange rate of Rs. 100= Roubles 12, based on the gold content of the two currencies. Non-commercial transactions form a very small proportion of the total transactions.

(c) Since the changes effected relate to non-commercial transactions within the USSR, these should not affect the Indian economy or the Soviet aid for Indian projects.

Demand for Indian Jute goods in the world market

1746. SARDAR SWARAN SINGH SOKHI: Will the Minister of COMMERCE be pleased to state:

(a) whether there has been an alarming decline in the demand for Indian jute goods in United States and Canada;

(b) whether there has also been sharp decline in the demand for Indian jute goods in the world market;

(c) whether in the early part of the current year the export figure has come down from 15,000 tonnes per month to nearly 2,000 tonnes to these two countries recently; and

(d) if so, the reasons for the substantial decline in demand for jute goods in general and carpet-backing in particular, and what steps Government propose to take to check this decline?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI VISHWANATH PRATAP SINGH)

(a) Yes, Sir.

(b) Yes, Sir.

(c) While the monthly exports of jute goods has shown a marginal decline in the past few months, the contracting of Carpet-backing has come down to about 2,000 tonnes in the months of November and December, 1974, and even less in January, 1975.

(d) The reasons can be summarised as follows:

(i) Competition from synthetics.

(ii) Competition from other producers.

(iii) Recession in the building industry in the United States.

Government have reduced the export duty on primary and secondary carpet-backing in the end of December, 1974. A high level study team has also been deputed to the United States and Canada to make an in-depth study of the market for Indian jute goods over there Efforts are also being made to bring about cost reduction by Research and Development.

Encouragement to private operators to run Air services

1747. SHRI RAJDEO SINGH: Will the Minister of TOURISM AND CIVIL AVIATION be pleased to state whether Government have decided that private operators would be encouraged to run air services on routes and to points not covered by the Indian Airlines?

THE MINISTER OF STATE IN THE MINISTRY OF TOURISM AND CIVIL AVIATION (SHRI SURENDRA PAL SINGH): Applications received from private operators for permission to operate on routes not covered by Indian Airlines are considered by the Director General of Civil Aviation under the provisions of the Air Corporations Act and Aircraft Rules, 1937.

Encouragement to private sector to start Hotels

1743. SHRI RAJDEO SINGH: Will the Minister of TOURISM AND CIVIL AVIATION be pleased to state:

(a) whether Government have decided that the private sector would be welcome to start 'No star' hotels to meet the needs of the tourists who could not afford to meet heavy bills;

(b) if so, the response upto this day; and

(c) what aid and facilities Government propose to provide to private sector for building 'No star' hotels to promote tourism in the country?

THE MINISTER OF STATE IN THE MINISTRY OF TOURISM AND CIVIL AVIATION (SHRI SURENDRA PAL SINGH): (a). Government has always welcomed private sector to set up hotels to cater for accommodation requirements of low income group of tourists. The minimum standards considered suitable for such hotels are those prescribed for the one-star category hotels i.e. there should be a minimum of 10 lettable bed rooms of which atleast 25 per cent should have attached bath rooms, for the remaining rooms there should be one bath room for every 4 rooms, the bath rooms should have proper sanitation and running cold water with adequate supply of hot water, the rooms should be properly ventilated and have clean and comfortable beds and furniture, there should be a reception counter and a clean and moderately well equipped dining room/restaurant with a well equipped kitchen and pantry.

(b). The response from private sector has not been much.

(c). The private sector is encouraged to set up more hotels including those of the above category, by means of various incentives offered in the form of fiscal reliefs, financial assistance in the form of institutional loans, priority consideration for essential requirements, etc.

असमप्रद चाय बागानों को सरकार द्वारा अपने हाथ में लेना

1749 भगत राम मनहर :
श्री एच० के० एल० भगत :

क्या वाणिज्य मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या केन्द्रीय सरकार का विचार असमप्रद चाय बागान को अपने हाथ में लेने का है; और

(ख) यदि हां, तो यह कब तक किया जायेगा ?

वाणिज्य मंत्रालय में उप मंत्री (श्री विश्वनाथ प्रताप सिंह) : (क) तथा (ख). चाय के बारे में टास्क फोर्स ने, संकटग्रस्त चाय बागानों का प्रबन्ध ग्रहण करने के प्रश्न पर अपनी रिपोर्ट प्रस्तुत कर दी है और समिति के जिसने प्रस्थापना के फलितार्थों का अध्ययन किया, निष्कर्षों पर ध्यान दिया जा रहा है ।

राजस्थान में पर्यटन विकास

1750. श्री मूलचन्द डागा : क्या पर्यटन और नागर विमानन मंत्री यह बताने की कृपा करेंगे कि

(क) केन्द्रीय पर्यटन विभाग ने तीसरी तथा चौथी पंचवर्षीय योजना के दौरान अन्य राज्यों की तुलना में राजस्थान को पर्यटन विकास के लिये कितनी सहायता दी;

(ख) क्या राज्य में ऐसे अनेक पर्यटन स्थल हैं जिनका ऐतिहासिक एवं सांस्कृतिक दृष्टि से विकास महत्वपूर्ण है और यदि हां, तो उनके नाम क्या हैं;

(ग) क्या सरकार ने उनकी ओर कोई ध्यान दिया है और यदि नहीं, तो उसके क्या कारण हैं; और

(घ) क्या अब उनकी ओर ध्यान दिया जायेगा और यदि हां, तो कब ?

पर्यटन और नागर विमानन मंत्रालय में राज्य मंत्री (श्री सुरेन्द्र पाल सिंह) : (क) पर्यटन सुविधाओं का विकास राज्यवार आधार पर नहीं किया जाता है बल्कि पर्यटकों के लिए स्थानों के आकर्षण के आधार पर किया जाता है । अतः राज्यवार आधार पर व्यय के तुलनात्मक ब्यौरे नहीं रखे जाते ।

तीसरी योजना में पर्यटन विभाग द्वारा राजस्थान में पर्यटकों के लिए सुविधाओं का विकास करने पर 8.04 लाख रुपये की राशि खर्च की थी। चौथी योजना में राजस्थान ने अतिरिक्त सुविधाओं के विकास पर 26.03 लाख रुपये का व्यय किया था। इसके अलावा, जयपुर में निजी क्षेत्र में एक होटल का निर्माण करने के लिए 60 लाख रुपये का ऋण दिया गया था।

इसके अतिरिक्त, भारत पर्यटन विकास निगम ने विभिन्न सुविधाओं पर, जोकि उसने चौथी योजना में राजस्थान में प्रदान की, 32.89 लाख रुपये का व्यय किया।

(ख) से (घ). जी, हां। परन्तु, चूंकि उपलब्ध साधनों की सीमितता के अन्तर्गत इन सभी स्थानों का विकास करना सम्भव नहीं है, पर्यटन विभाग ने जयपुर, उदयपुर, भरतपुर पक्षी शरणस्थान और जैसलमेर में सुविधाओं के विकास पर ध्यान केन्द्रित किया है। विकास का यही पर्यटन पांचवीं योजना में भी जारी रहेगा।

Central loans outstanding against Rajasthan Government

1751. SHRI M. C DAGA Will the Minister of FINANCE be pleased to state.

(a) the total amount of Central loans outstanding against Rajasthan Government;

(b) the manner in which Rajasthan Government repays these loans, and

(c) the amount of money it pays annually by way of interest?

THE MINISTER OF FINANCE (SHRI C. SUBRAMANIAM) (a) Total amount of Central loans outstanding against Rajasthan Government is estimated at Rs. 761 crores at the end of 1973-74.

(b) Various categories of loans are being repaid in accordance with the revised terms recommended by the Sixth Finance Commission. The recommendations of the Commission which have already been laid on the Table of the House envisage repayment of loans by the Government of Rajasthan, in periods ranging from 15 to 30 years with moratorium of 2 to 5 years in the case of certain specified categories of loans outstanding on 31-3-1974.

(c) Interest payable by Rajasthan is estimated at Rs. 36 crores during 1974-75

काले धन का पता लगाने के लिए राजस्थान में छापे

1752. **श्री मूलचन्द डागा** : क्या वित्त मंत्री यह बताने की कृपा करेंगे कि :

(क) काले धन का पता लगाने के लिए राजस्थान में 1974 के दौरान किस-किस तारीख को कहां-कहां छापे मारे गए तथा किस-किस तारीख को कितना-कितना काला धन बरामद हुआ, और

(ख) ऐसी धनराशि को जब्त करने के लिए कार्यवाही की गई है ?

वित्त मंत्रालय में राज्य मंत्री (श्री प्रणव कुमार मुखर्जी) (क) और (ख). अपेक्षित सूचना विवरण में दी गई है, जो [सभा पटल पर रखा गया है। देखिए संख्या एल० टी० 9048/75]

Go Slow and Mass Leave by Offices of R.B.I.

1753. SHRI HARI SINGH:
SHRI M RAM GOPAL REDDY:

Will the Minister of FINANCE be pleased to state:

(a) whether RBI officers resorted to mass leave and go slow in January this year; and

(b) if so, the reasons therefor?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRIMATI SUSHILA ROHATGI): (a) and (b). Reserve Bank of India has reported that in support of their demand for increase in Dearness Allowance, the two Officers' Associations in the Bank gave a call to the officers of the Bank to go on mass casual leave on 10th January, 1975 and work to rule from 10th February, 1975. The agitation has since been withdrawn following the sanction of ad-hoc increases in Dearness Allowance by the Bank.

Visit of Australian Minister for Overseas Trade to India

1754. SHRI HARI SINGH:
SHRI ARVIND M. PATEL:
SHRI D. P. JADEJA:
SHRI BHAGIRATH BHANWAR:

Will the Minister of COMMERCE be pleased to state:

(a) whether the Australian Minister for Overseas Trade visited our country recently; and

(b) if so, the nature of discussions held and decisions arrived at?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI VISHWANATH PRATAP SINGH): (a) Yes, Sir.

(b) A statement is enclosed.

Statement

The discussions covered—

(a) (i) difficulties of Indian exports to Australia of textiles fabrics and garments on account of revision of tariff structure and other restraints

(ii) of handicrafts on account of adoption of new definition of "handicrafts" by Australia;

(iii) of footwear due to quota restrictions and tariff structure on import of footwear;

(b) scheme of Australian Government for rendering market assistance to Indian exporters;

(c) review of Indo-Australian project for development of wool industry in India; and

(d) proposal to conclude a trade agreement between India and Australia.

The position of each side was noted for further action.

Raids by Enforcement and Excise Departments

1755. SHRI HARI SINGH. Will the Minister of FINANCE be pleased to state:

(a) whether a number of raids were carried out in Uttar Pradesh and other parts of the country by the Enforcement Department and Excise Department during January and February, 1975;

(b) if so, the particulars of the raids and the unaccounted cash, jwellery and other articles seized during these raids; and

(c) the action taken against the guilty persons?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PRANAB KUMAR MUKHERJEE): (a) to (c). Information regarding the raids carried out in Uttar Pradesh and other parts of the country by the Enforcement Directorate (Foreign Exchange Regulation Act) during the period 1-1-1975 to 15-2-1975 is given below:

In Uttar Pradesh, premises of two parties were searched by the Enforcement Directorate during the period 1.1.1975 to 15.2.1975, and some incriminating documents were recovered

and seized. In other parts of the country during the same period, 237 searches were conducted and besides incriminating documents, Indian currency totalling about Rs. 1,28,000 and foreign exchange worth about Rs. 17,000 were seized.

If, as a result of enquiries, the parties concerned are found to be guilty of any offence under the Foreign Exchange Regulation Act, necessary penal action as provided in the Act, will be taken.

Informaion regarding the raids carried out by the Central Excise Department is being collected and the same will be laid on the Table of the House.

Import of Footwear by Australia

1756. SHRI NIMBALKAR: Will the Minister of COMMERCE be pleased to state:

(a) whether Government of India have requested the Australian Government to ease restrictions on the import of footwear; and

(b) if so, the reaction of the Australian Government thereto?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI VISHWANATH PRATAP SINGH): (a) and (b). Yes, Sir. During the recent visit to India by Australian Minister for Overseas Trade, Mr. Frank Crean, from January 26 to February 1, 1975 the restrictions imposed on the import of footwear by Australia were, *inter-alia*, discussed. The Australian Minister noted the problem for further consideration.

Permission to Private Airlines to operate Non-scheduled Services

1757. PROF. MADHU DANDAVATE:
SHRI MUKHTIAR SINGH MALIK:

Will the Minister of TOURISM AND CIVIL AVIATION be pleased to state:

(a) whether it is true that the private airlines have been allowed to operate non-scheduled services not served by Indian Airlines;

(b) if so, what are the routes on which the private airlines propose to operate their services; and

(c) whether the private airlines will replace the Indian Airlines services to 16 centres which were discontinued following the fuel price increase?

THE MINISTER OF STATE IN THE MINISTRY OF TOURISM AND CIVIL AVIATION (SHRI SURENDRA PAL SINGH): (a) and (b). Some private operators have been granted permission by the Director General of Civil Aviation under the provisions of the Air Corporations Act and Aircraft Rules, 1937 to operate non-scheduled services. No routes are assigned to private operators on regular basis. They are permitted to operate non-scheduled services on a day to day basis.

(c) Applications received from private operators for operation on routes given up by Indian Airlines will be considered by the Director General of Civil Aviation, under the provisions of the Air Corporations Act and Aircraft Rules, 1937.

Attempt to Hijack an Air India Jumbo Jet

1758. PROF. MADHU DANDAVATE: Will the Minister of TOURISM AND CIVIL AVIATION be pleased to state:

(a) whether an Air-India jumbo jet was sought to be hijacked by a Canadian on the 25th December, 1974;

(b) if so, who were the members of the crew that succeeded in overpowering the hijacker;

(c) what was the identity of the hijacker; and

(d) whether there was any political motivation behind the attempt at hijacking?

THE MINISTER OF STATE IN THE MINISTRY OF TOURISM AND CIVIL AVIATION (SHRI SURENDRA PAL SINGH): (a) and (b). An attempt was made to hijack an Air-India Jumbo jet flight on 25th December, 1974 between Sector Beirut/Rome by a Canadian national, named Joseph Homola. Under instructions from the Commander of the aircraft Captain A. M. Kapur, the flight crew, Captain B. S. Sandhu, First Officer, Shri S. K. Dasgupta, Flight Engineer and Shri N. M. Pardivala, Inflight Supervisor overpowered the hijacker.

(c) Joseph Homola was born in Czechoslovakia and migrated to Canada about six years ago. He held a Canadian passport.

(d) The attempt did not appear to be politically motivated.

Financial Assistance to S.T.C

1759. PROF. MADHU DANDAVATE: Will the Minister of COMMERCE be pleased to state:

(a) whether the State Trading Corporation, which had previously a position of surplus funds has now to resort to bank borrowing, to manage its export-import operations;

(b) if so, whether there were discussions between the S.T.C. and Reserve Bank of India authorities regarding financial assistance to the S.T.C.; and

(c) if so, what will be the quantum of immediate assistance that will be available to the S.T.C. from the bank?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI VISHWANATH PRATAP SINGH): (a) Given the large turnover, bank borrowings which is a recognized method of financing operations has already been a part of STC's financial planning.

(b) No discussions have been held regarding financial assistance to the STC with the RBI. No discussions are also required with the RBI for borrowings from commercial banks which is a normal features of STC's operations.

(c) Does not arise.

Development of Andaman and Nicobar Islands as Tourist Resort

1760 PROF MADHU DANDAVATE Will the Minister of TOURISM AND CIVIL AVIATION be pleased to state:

(a) the steps taken to develop the Andaman and Nicobar Islands as a tourist resort for Indian and foreign tourist during the last three years; and

(b) the estimated revenue earned as a result of those steps?

THE MINISTER OF STATE IN THE MINISTRY OF TOURISM AND CIVIL AVIATION (SHRI SURENDRA PAL SINGH): (a) Due to the restriction on the entry of tourists into the Islands, the development of facilities in the Islands could not be considered in the Central Sector during the years 1971-72, 1972-73 and 1973-74.

(b) Does not arise.

Policy of LIC in making Investment in Large Industrial Houses

1761. SHRI B. S. BHAURA: Will the Minister of FINANCE be pleased to state:

(a) whether the policy of Life Insurance Corporation in making investments in large and high yield-

ing industrial houses rather than in the priority sector would not scuttle the credit policy of the commercial banks; and

(b) if so, the reaction of Government thereto?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRIMATI SUSHILA ROHATGI): (a) and (b). It is not the policy of the L.I.C. to invest only in the large industrial houses to the exclusion or neglect of other concerns in the private corporate sector. The credit policy of the Commercial Banks as also the investment policy of LIC are an integral part of the Government's comprehensive economic, fiscal and monetary policy. While formulating the policy, the Government ensures that there is no contradiction in the various elements comprising its overall policy. Granting of term loans to concerns belonging to Large Industrial Houses or underwriting of their capital by LIC purely on merit or in consortium with other public financial institutions is not likely to affect the credit policy of the Commercial Banks to the latter's detriment.

Foreign Aid in 1974-75

1762. SHRI P. M. MEHTA:

SHRI R. V. SWAMINATHAN:

Will the Minister of FINANCE be pleased to state:

(a) whether Government are hopeful of achieving the target of Rs 850 crores by way of external assistance from friendly countries and international organisations in the current financial year;

(b) if so, to what extent the foreign aid agreements have so far been signed upto January, 1975; and

(c) the particulars of the agreements signed and the names of the countries?

THE MINISTER OF FINANCE (SHRI C. SUBRAMANIAM): (a) Yes, Sir.

(b) Aid Agreements for an amount of Rs. 1062.31 crores have so far been signed during the current financial year.

(c) A statement giving particulars of the Agreements signed, so far and names of the countries, is laid on the Table of the House.

Statement

External Assistance—1974-75

Agreements signed during April, 1974—February, 1975

Country Institution	Project	Non-Project	Total
1. Belgium	..	5·77	5·77
2. Canada	0·54	42·44	42·98
3. Denmark	..	47·02	7·02
4. France	34·44	30·12	64·56
5. West Germany	33·18	80·58	113·76
6. Japan	..	51·79	51·69
7. Netherlands	..	25·01	25·01
8. Sweden	..	37·44	37·44
9. U.K.	..	74·54	74·54
10. U.S.A.	..	6·93	6·93
11. IBRD	129·12	..	129·12
12. IDA	302·99	200·50	503·49
TOTAL	500·27	562·04	1062·31

Foreign Exchange Rackets

1763. SHRI P. M. MEHTA:
SHRI P. A SAMINATHAN:

Will the Minister of FINANCE be pleased to state:

(a) whether the foreign exchange racket in the country had been smashed to a large extent in December, 1974; and

(b) whether due to the slackness this has once again become arrive?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PRANAB KUMAR MUKHERJEE): (a) As a result of detention of foreign exchange racketeers under Maintenance of Internal Security (Amendment) Ordinance and later under Conservation of Foreign Exchange and Prevention of Smuggling Activities Act, 1974, trafficking in foreign exchange has considerably gone down.

(b) There has been no slackness in the drive against foreign exchange racketeers and it is not correct to say that their activities have increased.

Non-Aligned Conference held at Dakar February, 1975

1764. SHRI P M MEHTA:
SHRI R. V. SWAMINATHAN:

Will the Minister of COMMERCE be pleased to state:

(a) whether a Non-aligned conference held in Dakar from 3rd February to 8th February, 1975 had discussed the problems relating to international trade in raw materials and commodities;

(b) if so, the decisions arrived at; and

(c) to what extent they will be beneficial to India?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI VISHWANATH PRATAP SINGH): (a) Yes, Sir.

(b) The Conference adopted a Declaration and a Programme of Action with a view to strengthening the negotiating position of developing countries regarding their control over their natural resources, their exploitation, prices and marketing. The Programme of Action invites also the developing countries to set up a Council for consultation and cooperation between various associations of producers.

The Conference has further decided *inter-alia* (i) to go into the question of formation of a special fund to finance stocks for the stabilisation of the prices of raw materials exported by developing countries at remunerative levels; (ii) to convene a meeting of the Non-aligned and other developing countries for evolving a common approach for the fourth-coming Conference with developed countries, which it is proposed should discuss the economic relations between the developing and the developed countries; and (iii) to establish further coordination among developing countries to take care of their manifold interests in the field of raw materials and primary commodities.

(c) The implementation of the decisions of the Conference is expected to contribute towards improving our trade in commodities.

Import of Cotton

1765. SHRI P. M. MEHTA: Will the Minister of COMMERCE be pleased to state:

(a) whether Union Government have made it clear that they are not going to import cotton more than the absolutely minimum quantity necessary and will avoid importing the types of cotton grown within the country;

(b) if so, whether this was made clear by him in reply to communication from the minister of Parliamentary Affairs;

(c) whether cotton growers had pointed out to him the consternation caused among the producers about the cotton import policy of Government;

(d) whether his Ministry are considering or evolving a policy to enable the Cotton Corporation of India to enter the market in a more meaningful way to relieve any hardships of the growers; and

(e) if so, whether any final decision has been taken?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI VISHWANATH PRATAP SINGH): (a) and (b). Depending on the gap between supply and demand some import of cotton may be necessary. However, imports will be restricted to medium staple cotton of which the availability is less than demand.

(c) Yes, Sir. But in view of the reply to parts (a) and (b) of the Question, no adverse effect on producers is anticipated.

(d) and (e). Cotton Corporation of India has been granted a credit limit of Rs. 10 crores. We have requested the Ministry of Finance to increase this limit. The Cotton Corporation of India has recently started making some purchases.

Decline in Food Procurement Credit Expansion during Current Busy Season

1766. SHRIMATI PARVATHI KRISHNAN: Will the Minister of FINANCE be pleased to state:

(a) whether food procurement credit expansion declined during the current busy season as compared to the last season; and

(b) if so, the reasons therefor?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRIMATI SUSHILA ROHATGI): (a) During the current busy season, up to 31st January, 1975, the increase in public food procurement credit was Rs. 109 crores as compared to Rs. 154 crores during the corresponding period of the 1973-74 busy season. In absolute terms, the figures are Rs. 363 crores for the current busy season as compared to Rs. 389 crores over the same period in the last busy season.

(b) The lower expansion in credit for food procurement in the current season so far has been due to lower level of overall food procurement operations as compared to the last year's busy season.

Boosting of Exports of Rajasthan State

1768. DR. H. P. SHARMA: Will the Minister of COMMERCE be pleased to state:

(a) whether according to a recent survey conducted by the Indian Institute of Foreign Trade, on behalf of the Rajasthan Small Industries Corporation, Rajasthan's contribution to the All India export trade was only a meagre one per cent of the country's total exports for 1973-74;

(b) if so, the figures of export earnings for Rajasthan and the country as a whole during 1971-72, 1972-73 and 1973-74;

(c) whether any programme/plan has been drawn out by Rajasthan Government for boosting their export earnings during the Fifth Five Year Plan, if so, the main features thereof and the targets of exports to be achieved during each year under the plan and what percentage of the total country's exports it would constitute; and

(d) the State-wise position of Rajasthan in the export map of the country in each year of the Fourth Plan?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI VISHWANATH PRATAP SINGH): (a) Yes, Sir.

(b) State-wise figures of export earnings are not maintained. Exports from the country during 1971-72, 1972-73 and 1973-74 were Rs. 1603 crores, Rs. 1971 crores and Rs. 2483 crores respectively.

(c) The information is being collected and will be laid on the Table of the House in due course.

(d) In view of answer to part (b) of the question, does not arise.

Trade with East European Countries

1769. SHRI BHOGENDRA JHA: Will the Minister of COMMERCE be pleased to state:

(a) whether our trade with East European countries has undergone a qualitative change in recent years; and

(b) if so, the main features thereof?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI VISHWANATH PRATAP SINGH): (a) and (b). Over the years our imports of machinery items from these countries have declined and the imports of industrial raw materials and other items of crucial importance to our economy have increased. On the other hand, manufactured goods figure more prominently than before in our exports to these countries.

Delinking Indian Trade and Commerce from Inflation affected developed Capitalist Countries

1770. SHRI BHOGENDRA JHA: Will the Minister of COMMERCE be pleased to state:

(a) whether the inflationary trend in India is severe due to its being tied to the capitalist world market;

(b) the steps being taken to delink Indian trade and commerce from the inflation-affected developed capitalist countries and link them with the socialist countries; and

(c) if so, the main features thereof?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI VISHWANATH PRATAP SINGH): (a) India is trading with countries both in the capitalist and non-capitalist world The inflationary pressures in the economy are due to, amongst other factors, high prices of imported food grains, fertilizers and other manufactures.

(b) and (c). The objective of the Government policy is to promote trade both with the capitalist world and the socialist countries to the optimum extent, keeping in view the principle of earning maximum foreign exchange from exports for the country and obtaining the country's import requirements at most competitive prices.

Proposal to open Hotel at Santa Cruz Airport

1771. DR. RANEN SEN: Will the Minister of TOURISM AND CIVIL AVIATION be pleased to state:

(a) whether Government have a proposal under consideration to open a hotel at Santa Cruz airport this year; and

(b) if so, the main features thereof and the steps being taken in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF TOURISM AND CIVIL AVIATION (SHRI SURENDRA PAL SINGH): (a) and (b). The Hotel Corporation of India Limited, a subsidiary of Air India, is con-

structing a hotel at Santa Cruz airport. The hotel is expected to be partially operational with 120 rooms by May/June this year and fully operational with 300 rooms by August/September 1975. The hotel is circular in design with a swimming pool in the centre, 5 restaurants, shopping arcade, conference facilities and health club. The hotel will also have Airlines Counter, Air India lounge and special facilities for airline passengers.

Agreement between India and Russia regarding supply of Zinc to India

1772. SHRI ARJUN SETHI: Will the Minister of COMMERCE be pleased to state:

(a) whether there has recently been an agreement between Russia and India regarding the supply of Zinc to India; and

(b) if so, the main features thereof?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI VISHWANATH PRATAP SINGH): (a) Yes, Sir.

(b) Under the Agreement, U.S.S.R. will supply to India 16,000 tonnes of electrolytic high grade zinc during 1975.

Proposal to impose Cess on the output of Fine and Superfine Cloth

1773. SHRI ARJUN SETHI:
SHRI K. MALLANNA:

Will the Minister of COMMERCE be pleased to state:

(a) whether Government have decided to impose a cess on the output of fine and superfine cloth to aid the fund for cotton purchases; and

(b) if so, the main features of the formula marked out to determine the fair price of cotton?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI VISHWANATH PRATAP SINGH): (a) No, Sir.

(b) Does not arise.

Seminar on Indo-E.E.C. Trade

1774. SHRI Y. ESWARA REDDY: Will the Minister of COMMERCE be pleased to state:

(a) whether a Seminar on Indo-E.E.C. trade under Generalised Scheme of Preferences was held in New Delhi; and

(b) if so, the broad outlines thereof and the conclusions reached thereat?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI VISHWANATH PRATAP SINGH): (a) Yes, Sir.

(b) The Seminar reviewed India's experience of the Community's GSP. The specific products covered by the Seminar were engineering goods, leather manufactures including footwear, sports goods, readymade garments, hosiery goods and handicrafts including woollen carpets. Suggestions were made during the Seminar for the improvement of the E.E. Community's GSP especially in regard to those products whose exports under GSP were adversely affected by quota ceilings.

It was also recognised that regular flow of information in the utilisation of the quotas under GSP and dissemination to trade would facilitate better utilisation of GSP. The Community side pointed out during the Seminar that exports of engineering goods under GSP can be increased further by identification of new product lines and adaptation of products to suit the European markets.

Export of confiscated Goods

1775. SHRI D. B. CHANDRA GOWDA: Will the Minister of FINANCE be pleased to state:

(a) whether Customs Department propose to export confiscated luxury goods;

(b) the main features of the procedure prescribed for their export; and

(c) the particulars regarding the precious stones and other seized goods?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PRANAB KUMAR MUKHERJEE): (a) to (c). Of the confiscated goods textiles, watches and precious stones were considered for export. In the case of watches and textiles Government's efforts have not met with success. The proposal to export precious stones and a proposal to export textiles after converting into garments are, however, being pursued.

Report of Committee on Anti-Smuggling

1776. SHRI R. R. SINGH DEO: Will the Minister of FINANCE be pleased to state:

(a) whether any high power committee on anti-smuggling has been formed by Government and if so, when and what are its terms of reference;

(b) whether this committee has given its report on anti-smuggling; and

(c) if so, what are the important recommendations and observations thereof and the reaction of the Government of India thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PRANAB KUMAR MUKHERJEE): (a) to (c). No high power committee has been appointed by Government on anti-smuggling. However, a group of senior officers has been asked to continuously review and co-ordinate anti-smuggling measures that are being taken.

Increase in Fares in Indian Airlines

1777. SHRI NOORUL HUDA: Will the Minister of TOURISM AND CIVIL AVIATION be pleased to state

(a) whether the Indian Airlines are contemplating to increase the fares very shortly; and

(b) the reasons for such increase?

THE MINISTER OF STATE IN THE MINISTRY OF TOURISM AND CIVIL AVIATION (SHRI SURENDRA PAL SINGH). (a) and (b). The matter is under constant review No decision has yet been taken

Snacks and Beverages served by Indian Airlines

1778. SHRI NOORUL HUDA. Will the Minister of TOURISM AND CIVIL AVIATION be pleased to state:

(a) whether Government's attention has been drawn to the repeated complaints of the passengers regarding the poor and hackneyed quality of snacks and beverages served by the Indian Airlines; and

(b) the steps taken to improve the same?

THE MINISTER OF STATE IN THE MINISTRY OF TOURISM AND CIVIL AVIATION (SHRI SURENDRA PAL SINGH): (a) and (b). Yes, Sir. It has been the endeavour of Indian Airlines to provide better quality snacks and beverages on their flights. The question of further improving the quality of items served and adding more varieties is under the Corporation's consideration.

फ्लाइंग क्लबों में काम करने वाले कर्मचारियों के लिए समान वेतनमान

1779. **श्री रामवतार शास्त्री :** क्या पर्यटन और नागर विमानन मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या विभिन्न राज्यों मे फ्लाइंग क्लबों की स्थापना की गई है और यदि हां, तो ये कहां कहां पर स्थित है ,

(ख) क्या इन फ्लाइंग क्लबों मे काम करने वाले कर्मचारियों के वेतनमानों में अन्तर है ;

(ग) यदि हां, तो तत्सम्बन्धी तथ्य क्या है और इसके क्या कारण है , और

(घ) क्या सरकार का विचार इन फ्लाइंग क्लबों मे काम करने वाले कर्मचारियो के लिए एक सामान वेतनमान निर्धारित करने का है और यदि नही, तो इसके क्या कारण हैं ?

पर्यटन और नागर विमानन मंत्रालय में राज्य मंत्री (श्री सुरेन्द्र पाल सिंह) (क) : देश में वर्तमान फ्लाइंग क्लबों तथा उन के स्थानों की एक सूची संलग्न विवरण मे दी गयी है ।

(ख) और (ग) . जी, हां, कर्मचारियों के वेतनमानो का निर्णय फ्लाइंग क्लब स्वयं करते हैं ।

(घ) फ्लाइंग क्लबों के कर्मचारियों के लिए वेतनमान क्लबों के साथ किए गए उपदान करारो में विनिर्दिष्ट किए गए हैं । परन्तु अधिकांश क्लब अपने स्वयं के वेतनमानों का अनुसरण करते हैं जोकि निर्धारित वेतनमानों से अधिक हैं ।

फ्लाइंग क्लबों/ फ्लाइंग प्रशिक्षण स्कूलों के नाम

1. आंध्र प्रदेश फ्लाइंग क्लब, हैदराबाद ।
2. आसाम फ्लाइंग क्लब लिमिटेड, गोहाटी ।
3. बिहार फ्लाइंग क्लब लिमिटेड, पटना ।
4. बम्बई फ्लाइंग क्लब, बम्बई ।
5. दिल्ली फ्लाइंग क्लब लिमिटेड, नई दिल्ली ।
6. गुजरात फ्लाइंग क्लब बरोदा ।
7. दि केरल फ्लाइंग क्लब लिमिटेड, त्रिवेन्द्रम ।
8. को० आप० हिन्द फ्लाइंग क्लब लिमिटेड, लखनऊ ।
9. मध्य प्रदेश फ्लाइंग क्लब, इदौर ।
10. नागपुर फ्लाइंग क्लब लिमिटेड, नागपुर ।
11. मद्रास फ्लाइंग क्लब लिमिटेड, मद्रास ।
12. नार्दरन इंडिया फ्लाइंग क्लब, जालंधर ।
13. उड़ीसा फ्लाइंग क्लब लिमिटेड, भूवनेश्वर ।
14. राजस्थान फ्लाइंग क्लब लिमिटेड, जयपुर ।
15. कोयमबटूर फ्लाइंग क्लब लिमिटेड, कोयमबेटर ।
16. पटियाला एविएसन क्लब, पटियाला ।
17. अमृतसर एविएसन क्लब, अमृतसर ।
18. वनस्थली विद्यापीठ ग्लाइडिंग और फ़्लाइंग क्लब, बनस्थली (राजस्थान) ।
19. हिसार एविएसन क्लब, हिसार ।
20. करनाल एविएसन क्लब, करनाल ।
21. जमशेदपुर को० आप० फ्लाइंग क्लब लिमिटेड, जमशेदपुर ।
22. ईस्टर्न मध्य प्रदेश फ्लाइंग और ग्लाइडिंग क्लब, रायपुर ।
23. लुधियाना एविएसन क्लब, लुधियाना

Promotion of I.D.A.S. Officer of C.D.A., Patna responsible for publication of 'Restricted Defence Accounts Year Book'

1780. SHRI RAMAVATAR SHASTRI: Will the Minister of FINANCE be pleased to state:

(a) whether a certain IDAS Officer of C.D.A., Patna who is responsible for publication of 'Restricted Defence Accounts Year Book' without prior permission of Government is in the run for promotion;

(b) whether any punishment has been awarded by Government to a few officers for such works;

(c) whether promotion/confirmation of many employees of C.D.A., Patna office have been stopped on similar grounds; and

(d) if so, the reasons for rewarding the officer for serious breach of rules and conduct?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PRANAB KUMAR MUKHERJEE): (a) "The Defence Accounts Year Book (1973)" was compiled and published by the Staff Welfare Committee, in the office of CDA (Patna). The office-bearers of the Committee included two IDAS Officers, of whom one is in the zone of consideration for promotion.

(b) No punishment was awarded to any individual under the Classification, Control and Appeal Rules. The office-bearers/members of the Staff Welfare Committee were, however, warned in writing, individually, for having brought out the publication without the requisite permission.

(c) No, Sir.

(d) Does not arise.

Investment made by the L.I.C. in Industrial houses and Industrial sector

1781. SHRI RAMAVATAR SHASTRI: Will the Minister of FINANCE be pleased to state:

(a) the names of the first twenty industrial houses in which investments have been made by L.I.C. during the years 1973-74 and 1974-75 indicating the investment made in each; and

(b) the total investment made by L.I.C. in the industrial sector during the same period?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRIMATI SUSHILA ROHATGI) (a) and (b). The requisite information is given below.

(Rs. in lakhs)

20 larger industrial houses listed in Appendix II of the ILPIC Report, 1969	Gross investments during 1973-74	Gross investments during 1974-75 (upto 31-12-1974)
1	2	3
1. A.C.C.	2 92	8·09
2. Andrew Yule	..	.
3. Bangur	23·78	60 00
4. Bird Heilgers	..	.
5. Birla	1,55 18	63 24
6. Goenka	3 54	0·32
7. I. C. I.	17·51	3 70
8. J.K. Singhania	28 02	0 21
9. Kilachand Tulsidas	1·48	0·53
10. Killicks	1 23	36·80
11. Mafatlal	0 19	1 01
12. Martin Burn	0 09	..
13. Sahu Jain	..	.
14. Sarabhai	5·20	2·34
15. Scindia Steam Navigation	..	10·40
16. Shri Ram	27·36	1,15·02
17. Soorajmull Nagarmull	..	..
18. Tata	2,93·81	1,57·69
19. Thapar	3·17	..
20. Walchand	20·13	0·20
Total in 20 groups	5,38·61	*4,59·55
B. Total investment in Industrial Sector including Sugar Cooperative Societies	22,42·89	29,42·85

*Provisional subject to audit.

India's internal debts

1782. SHRI SHANKAR RAO SAVANT: Will the Minister of FINANCE be pleased to state

(a) what is the total amount of debts incurred by India at the end of the years 1972-73, 1973-74 and 1974-75 (till January, 1975); and

(b) when and at what rate of interest each of these loans are to be repaid?

THE MINISTER OF FINANCE (SHRI C. SUBRAMANIAM) (a) The total amount of Central Government's internal debt as at the end of 1972-73, 1973-74 and 1974-75 (till January, 1975) was Rs. 10197 crores, Rs. 11107 crores and Rs. 12135 crores respectively.

(b) Bulk of the internal debt comprise market loans and treasury bills Other miscellaneous debt includes compensation bonds, prize bonds and 15 year Annuity Certificates Besides, there are expired loans which do not carry any interest. There are also special non-negotiable rupee securities issued to IMF IBRD ABD IDA etc which also do not bear any interest Treasury bills have a maturity of 91 days and carry interest at 4 6 per cent Maturity dates and interest rates of outstanding market loans are given in the statement laid on the Table of the House. [*Placed in Library. See* No LT-9049/75]. The statement also gives the outstanding balance at the end of January, 1975 of other instruments of internal debt.

Trade agreement with Iraq and Iran

1783. SHRI SHANKER RAO SAVANT: Will the Minister of COMMERCE be pleased to state

(a) the nature and extent of our trade agreements with Iraq and Iran; and

(b) what attempts are made to obtain smooth sailing for our trade agreements with them?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI VISHWANATH PRATAP SINGH) (a) The nature of the Trade Agreement signed between India and Iraq in 1971 is bilateral. The basic features of the Agreement are that:

(i) both the Governments have agreed to give each other most favoured nation treatment in trade,

(ii) the Agreement will be valid for a period of three years. However, the Agreement will be considered to be automatically renewed for similar periods unless a notice of termination is given by either side,

(iii) Payments, both for export of goods from India and import of goods from Iraq, are to be made in convertible currency,

(iv) the Agreement provides for a Joint Committee consisting of the representatives of the two countries to review yearly the trade pattern between the two countries and suggest an agreed trade plan for the future year The Joint Committee will also review the performance of each country with reference to the Trade Agreement

(v) each country will provide facilities for holding trade fairs exhibitions

II The main features of the long term trade agreement between India and Iran, which came into force in December, 1974, are

(i) The Agreement will be valid for a period of five years.

(ii) It provides for Most Favoured Nation treatment in mutual trade.

(iii) Facilities would be provided by each to the other for holding trade fairs and exhibitions.

(iv) All payments under the agreement will be made in convertible currencies.

(v) Illustrative schedules appended to the agreement list out items exportable from India to Iran and vice versa.

(vi) The performance of trade will be reviewed once in six months.

(b) Both the Governments are in touch with each other, if any difficulty arises in the implementation of the Trade Agreement.

News item 'Cotton waste Exports grind to a Halt'

1784. SHRI VASANT SATHE: Will the Minister of COMMERCE be pleased to state:

(a) whether cotton waste exports have come to a grinding halt;

(b) if so, the reasons therefor and reaction of Government thereto; and

(c) steps taken/proposed in the matter?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI VISHWANATH PRATAP SINGH): (a) From the figures of exports of both soft and hard cotton waste during the last five years, it would appear that the exports have been quite steady.

(In million kgs.)

Year	Exports		
	Soft	Hard	Total
1969 .	18	4	22
1970 .	15	4	19
1971 .	13	3	16
1972 .	16	4	20
1973 .	16	4	20
1974 . (Jan.—June)	7	2	9

(b) and (c). Do not arise.

Evasion of Income-tax by self-employed Individuals

1785. SHRI MUKHTIAR SINGH MALIK: Will the Minister of FINANCE be pleased to state:

(a) the number of self-employed persons found to be evading Income-tax in the recent raids conducted by the Income Tax Authorities; and

(b) whether Government intend to take any further steps to ensure that the affluent self-employed persons come under Income tax net?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PRANAB KUMAR MUKHERJEE): (a) During the three months November, 1974 to January, 1975, the officials of the income-tax department had conducted 709 searches in respect of all categories of persons which included companies, businessmen and professionals. No separate data is maintained in respect of self-employed persons as such.

(b) A concerted survey drive has been undertaken to ensure that all self-employed, professionals and others having taxable income/wealth are brought into the tax net.

Inquiry report on attempt to hijack an Air India Plane in December, 1974

1786. SHRI MUKHTIAR SINGH MALIK: Will the Minister of TOURISM AND CIVIL AVIATION be pleased to state:

(a) whether the inquiry report regarding attempt to hijack an Air India plane at Rome in December, 1974; has since been received by Government;

(b) if so, the broad outlines of the inquiry report; and

(c) Government's reaction thereto?

THE MINISTER OF STATE IN THE MINISTRY OF TOURISM AND CIVIL AVIATION (SHRI SURENDRA PAL SINGH): (a) to (c). The Inquiry Report regarding the attempt to hijack an Air India aircraft on the 25th December, 1974 has been received. The Report is under Governments' consideration.

Arrears of Income-tax

1787 SHRI C. K. CHANDRAPPAN: Will the Minister of FINANCE be pleased to state:

(a) what is the latest available figure regarding the total arrears of Income tax;

(b) particulars of the top hundred individuals who are in arrears and the amount due from them in 1973-74 and 1974-75; and

(c) steps taken to make effective the collection of Income-tax arrears?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PRANAB KUMAR MUKHERJEE): (a) The gross demand and net arrears of income-tax, including corporation tax, as on 30-5-1974 were as follows:—

As on 30-9-1974
(In crores of Rupees)

Gross demand	783 52
Net arrears	572 74

For arriving at the net arrears, the following amounts are deducted from the gross demand —

(1) Amounts not fallen due.

(2) Amounts claimed to have been paid but awaiting adjustments/ verifications.

(3) Amounts for which stay has been granted by various authorities, including courts.

(4) Amounts for which instalments have been granted.

(b) The names of the top hundred individuals against whom maximum income-tax demand was outstanding on 30th September, 1974 and the figures of gross demand against them on 30-9-1974 and 31-3-1974 are given in the statement laid on the Table of the House. [*Placed in Library. See* No. LT-9051/75].

(c) Such of the steps provided in the Income-tax Act, 1961 as are appropriate to the circumstances of each case are taken for effecting collection of income-tax demand.

Fall in value of Rupee

1788 SHRI C K. CHANDRAPPAN: SHRI R. N. BARMAN:

Will the Minister of FINANCE be pleased to state

(a) what is the latest available position of the value of rupee in relation to its value in 1960-61;

(b) whether the value of rupee has fallen in relation to certain currencies of other countries;

(c) if so, the particulars thereof; and

(d) its implications on the Indian economy?

THE MINISTER OF FINANCE (SHRI C. SUBRAMANIAM). (a) With 1960 as the base, the value of the rupee at the end of 1974 was about 31 per cent of its value in 1960

(b) to (d) In a world of floating exchange rates it is not possible to establish with any precision the average external value of the currency. The bulk of India's external trade is conducted at fixed exchange rates As for the rest, the marginal variations in exchange rates have not had any significant impact on the economy.

India's relations with Comecon

1789. SHRI C. K. CHANDRAPPAN: Will the Minister of FINANCE be pleased to state:

(a) whether India is going to have more closer relations with COMECON; and

(b) if so, the broad features thereof?

THE MINISTER OF FINANCE (SHRI C. SUBRAMANIAM): (a) and (b). India already has close economic, commercial and political relations with member-countries of the COMECON on a bilateral basis. It is our constant endeavour to strengthen these relations.

Steps to check Fall in Prices of raw Jute

1790. SHRI BIRENDER SINGH RAO: Will the Minister of COMMERCE be pleased to state:

(a) whether Government have taken any steps to prevent the fall in prices of raw jute to protect the interests of jute growers; and

(b) if so, the particulars thereof and the results achieved thereby?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI VISHWANATH PRATAP SINGH): (a) and (b). Government have taken the following measures to ensure reasonable stability in the prices of raw jute:

(i) Announcement of statutory minimum prices every year which have been progressively increasing.

(ii) Creation of the Jute Corporation of India as an instrument for correcting imbalances between supply and demand, and removing the existing deficiencies in the marketing system of raw jute.

(iii) Larger and larger involvement of the cooperatives in the purchase operations; and

(iv) utilisation of statutory powers to prevent imbalances between market arrivals and off-take of raw jute.

As a result of these measures prices have been on the average maintained well above last year's prices and the minimum support prices.

12.00 hrs.

PAPERS LAID ON THE TABLE

DELHI SALES TAX (FIRST AMDT.) RULES, 1975 AND A NOTIFICATION UNDER CENTRAL EXCISE RULES, 1944

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PRANAB KUMAR MUKHERJEE): I beg to lay on the Table—

(1) A copy of the Delhi Sales Tax (First Amendment) Rules, 1975 (Hindi and English versions) published in Notification No. F.4(27)/74-Fin.(G) in Delhi Gazette dated the 21st February, 1975, under sub-section (4) of section 26 of the Bengal Finance (Sales Tax) Act, 1941, as in force in the Union Territory of Delhi. [*Placed in Library. See No. LT-9038/75*].

(2) A copy of Notification No. G.S.R. 242 (Hindi and English versions) published in Gazette of India dated the 22nd February, 1975, issued under the Central Excise Rules, 1944 together with an explanatory memorandum. [*Placed in Library. See No. LT-9039/75*].

STATEMENT RE. ACTION TAKEN BY GOVERNMENT ON ASSURANCES ETC.

THE DEPUTY MINISTER IN THE DEPARTMENT OF PARLIAMENTARY AFFAIRS (SHRI B. SHANKARANAND): I beg to lay on the Table the following statements showing the action taken by the Government on various assurances, promises and undertakings given by the Ministers during the various sessions of Lok Sabha:—

FOURTH LOK SABHA

(i) Statement No. XXX . . . . Sixth Session, 1968.
(ii) Statement No. XXXVII . . . Seventh Session, 1969.
(iii) Statement No XXXVI . . . Ninth Session, 1969.
(iv) Statement No XL . . . . Tenth Session, 1970.
(v) Statement No XXVII . . . Eleventh Session, 1970.
(vi) Statement No XXXII . . . . Twelfth Session, 1970.

FIFTH LOK SABHA

(vii) Statement No XV . . . . First Session, 1971
(viii) Statement No XXXV . . . Second Session, 1971.
(ix) Statement No XXII . . . . Third Session, 1971
(x) Statement No XXVI . . . . Fourth Session 1972
(xi) Statement No XVIII . . . . Fifth Session 1972
(xii) Statement No XVI . . . . Sixth Session, 1972
(xiii) Statement No XIX . . . . Seventh Session, 1973
(xiv) Statement No XIII . . . . Eighth Session, 1973.
(xv) Statement No XI . . . . Ninth Session 1973
(xvi) Statement No XII . . . . Tenth Session 1974
(xvii) Statement No V. . . . . Eleventh Session, 1974
(xviii) Statement No II . . . . Twelfth Session, 1974.
(xix) Statement No III . . . . Twelfth Session, 1974.

[*Placed in library. See* No. LT—9040/75]

NOTIFICATIONS UNDER EXPORT (QUALITY CONTROL AND INSPECTION) ACT, 1963

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI VISHWANATH PRATAP SINGH): I beg to lay on the Table—

(a) A copy each of the following Notifications (Hindi and English versions) under sub-section (3) of section 17 of the Export (Quality Control and Inspection) Act, 1963 —

(1) The Export of Fish and Fish Products (Inspection) Second Amendment Rules, 1974, published in Notification No S.O. 3354 in Gazette of India dated the 21st December, 1974.

(2) The Export of Frog legs (Inspection) Second Amendment Rules, 1974, published in Notification No. S.O. 3355 in Gazette of India dated the 21st December, 1974.

(3) The Export of Frozen Lobster Tails (Inspection) Amendment Rules, 1974, published in Notification No S O. 3356 in Gazette of India dated the 21st December, 1974.

(4) The Export of P. V. C. Leather Cloth (Inspection) Amendment Rules, 1974, published in Notification No. S.O. 3357 in Gazette of India dated the 21st December, 1974.

(5) The Export of Linoleum (Quality and Inspection) Amendment Rules, 1974, published in Notification No. S.O. 3358 in Gazette of India dated the 21st December, 1974.

(6) The Export of Paints and Allied Products (Quality Control and Inspection) Amendment Rules, 1974, published in Notification No. S.O. 3359 in Gazette of India dated the 21st December, 1974.

(7) The Export of Cast Iron Soil Pipes and Fittings (Inspection) Amendment Rules, 1974, published in Notification No. S.O. 3360 in Gazette of India dated the 21st December, 1974.

(8) The Export of Cast Iron Manhole Covers and Frames (Inspection) Amendment Rules, 1974, published in Notification No. S.O. 3361 in Gazette of India dated the 21st December, 1974.

(9) The Export of Expected Metal Steel Sheets (Inspection) Amendment Rules, 1974, published in Notification No. S.O. 3362 in Gazette of India, dated the 21st December, 1974.

(10) The Export of Electric Cables and Conductors (Inspection) Amendment Rules, 1974, published in Notification No. S.O. 3363 in Gazette of India dated the 21st December, 1974.

(11) The Export of Bicycles (Quality Control and Inspection) Amendment Rules, 1974, published in Notification No. S.O 3364 in Gazette of India dated the 21st December, 1974.

(12) The Export of Automobile Spares Components and Accessories (Quality Control and Inspection) Amendment Rules, 1974, published in Notification No. S.O. 3365 in Gazette of India dated the 21st December 1974.

(13) The Export of Sewing Machines (Quality Control and Inspection) Amendment Rules, 1974, published in Notification No. S.O. 3396 in Gazette of India dated the 28th December, 1974.

(14) The Export of Small Tools and Hand Tools (Quality Control and Inspection) Amendment Rules, 1974, published in Notification No. S.O. 3397 in Gazette of India dated the 28th December, 1974.

(15) The Export of Diesel Engines (Quality Control and Inspection) Amendment Rules, 1974, published in Notification No. S.O. 3398 in Gazette of India dated the 28th December, 1974.

(16) The Export of Light Engineering Products (Inspection) Amendment Rules, 1974, published in Notification No. S.O. 3399 in Gazette of India dated the 28th December, 1974.

(17) The Export of Organic Chemicals (Inspection) Amendment Rules, 1975, published in Notification No. S.O. 92 in Gazette of India dated the 11th January, 1975.

(18) The Export of Power Driven Pumps (Quality Control and Inspection) Amendment Rules, 1975, published in Notification No. S.O. 233 in Gazette of India dated the 25th January, 1975. [*Placed in Library. See* No. LT-9041/75].

(b) A copy each of the following statements (Hindi and English versions):—

(1) Statement showing the allotment of controlled cloth to various States during the month of May, 1974 out of April, 1974 packing.

(2) Statement showing the allotment of controlled cloth to various States during the month of June, 1974 out of May, 1974 packing.

(3) Statement showing the allotment of controlled cloth to various States during July, 1974 out of June, 1974 packing.

(4) Statement showing the allotment of controlled cloth to various States during August, 1974 out of July, 1974 packing.

(5) Statement showing the allotment of controlled cloth to various States during September, 1974 out of August 1974 packing.

(6) Statement showing the allotment of controlled cloth to various States during October, 1974 out of September, 1974 packing.

(7) Statement showing the item-wise and category-wise packing (production) of controlled cloth during April—September, 1974. [*Placed in Library. See* No. LT-9042/75].

12.01 hrs.

MESSAGES FROM RAJYA SABHA

SECRETARY-GENERAL: Sir, I have to report the following messages received from the Secretary-General of Rajya Sabha.—

(i) 'I am directed to inform the Lok Sabha that the Rajya Sabha, at its sitting held on Wednesday, the 26th February, 1975, adopted the following motion in regard to the presentation of the Report of the Joint Committee of the Houses on the Indian Penal Code (Amendment) Bill, 1972:—

"That the time appointed for the presentation of the Report of the Joint Committee of the Houses on the Indian Penal Code (Amendment) Bill, 1972, be further extended up to the last day of the second week of the Ninety-third Session of the Rajya Sabha."'

(ii) 'In accordance with the provisions of rule 111 of the Rules of Procedure and Conduct of Business in the Rajya Sabha, I am directed to enclose a copy of the Requisitioning and Acquisition of Immovable Property (Amendment) Bill, 1975,

which has been passed by the Rajya Sabha at its sitting held on the 26th February, 1975.'

(iii) 'In accordance with the provisions of rule 111 of the Rules of Procedure and Conduct of Business in the Rajya Sabha, I am directed to enclose a copy of the Press Council (Amendment) Bill, 1975, which has been passed by the Rajya Sabha at its sitting held on the 26th February, 1975.'

12.02 hrs.

BILLS AS PASSED BY RAJYA SABHA

SECRETARY-GENERAL. Sir, I lay on the Table of the House the following Bills as passed by Rajya Sabha.—

(1) The Requisitioning and Acquisition of Immovable Property (Amendment) Bill, 1975

(2) The Press Council (Amendment) Bill, 1975.

12.02½ hrs.

ASSENT TO BILL

SECRETARY-GENERAL: Sir I also lay on the Table the Constitution (Thirty-Fifth Amendment) Bill, 1974 passed by the Houses of Parliament and assented to since a report was last made to the House on the 18th February, 1975.

12.03 hrs.

BUSINESS OF THE HOUSE

THE MINISTER OF WORKS AND HOUSING AND PARLIAMENTARY AFFAIRS (SHRI K. RAGHURAMAIAH): With your permission, Sir, I rise to announce that Government Business in this House during the week commencing 3rd March, 1975, will consist of:—

(1) Discussion on the statement made by the Prime Minister on Jammu and Kashmir.

(3) General Discussion on the the Requisitioning and Acquisition of Immovable Property (Amendment) Bill, 1975, as passed by Rajya Sabha.

(3) General Discussion on the Railway Budget for 1975-76.

(4) General Discussion on the General Budget for 1975-76.

MR. SPEAKER. I have received some names. I will call them in the order in which I have received them. They will take only one or one and a half minutes.

PROF. MADHU DANDAVATE (Rajapur): Since a number of scarcity areas and States in the country received Central food assistance, it is the duty of the States, to ensure, that the Central assistance is not at all misused. In Maharashtra, in the area of Pandharpur, where there is a holy temple, from the 21st Febraury sacrificial offering is going on, a so-called *agna* has been organised and, therefore, a large amount of foodstuffs are going to be destroyed for one full month. To protest against this wastage of foodstuffs, the members of the Socialist Party, led by Shri Pannalal Surana and Baba Adhav, organised a public meeting on the 20th of February at Pandharpur. The orthodox elements there started the meeting in which 11 members including Shri

Pannalal Surana and Shri Baba Adhav were actually injured. They were told to go to some other area, to a closed place, and hold the meeting. They went to a theatre to hold the meeting. From there the police took charge of them and they were told that they are being taken away for protection. Actually, they were taken to the police station. They were prosecuted under the provisions which are provisions regarding riots. While those who indulged in stone-throwing were not arrested, those who protested against the wastage of foodstuffs secured from the Centre were charged for rioting. These are well-known social reformers of Maharashtra. They wanted to mobilise public opinion against tradition-bound rituals and also to prevent the wastage of foodstuffs in the *yagna* at Pandharpur. But they were arrested and charged for rioting, whereas the religious orthodox elements who stoned the demonstration have gone scotfree. 11 of them are now lying in hospital. They have undertaken a fast right from 21st of February. The Chief Minister has also intervened and he said that they are going to investigate into the matter. But the local Collector and the authorties say that unless the socialists give an assurance that during the one month period of the *yagna* there will be no meetings, they are not going to be released. Therefore, I would request that the Union Home Minister should intervene in the matter and see that the culprits are brought to book and the social reformers who are charged of rioting are released immediately, and charges of rioting against them are withdrawn. Otherwise, the fast which is going on will continue indefinitely.

MR. SPEAKER: Shri Vasant Sathe. Now this has also become a rule 337 show, rather than suggestions for business.

SHRI VASANT SATHE (Akola): Sir, I would like specific inclusions in the next week's business of an item dealing with backward areas development.

The Government has a policy of giving subsidy to the backward areas, that is, for industries going in backward areas. A certain amount of about Rs 5 crores has been earmarked for this purpose. It is seen that in the State of Maharashtra where the scheme was being utilised today for want of proper action, subsidy is not being given. In this State, most of the industrialists coming from all over the country have taken advantage of the scheme to go in backward areas of the State, like Chandarpur, Marathwada, Konkan region, for setting up industrial units. This is the crime they have committed. They are being told, "Why did you not go all over country? Because you have not gone to other States, you will not be given subsidy in this State."

This is the attitude. If such an attitude is adopted by the Government, then there will be no development possible in any backward area. Our whole policy of development of backward areas is, therefore, being thwarted and defeated. I would like this problem which is of national importance to be discussed during the next week.

I hope, the Minister of Parliamentary Affairs is listening.

MR. SPEAKER He studies the speeches after they are made.

SHRI VASANT SATHE: So, he will study my speech later on!

SHRI K. RAGHU RAMAIAH: My heart is here but my ears are there.

श्री हुकम चन्द कछवाय (मुरैना) : अध्यक्ष महोदय, मैं ससद-कार्य मंत्री से निवदन करूंगा कि वह गृह मंत्रालय से वक्तव्य दिलवायें।

21 फरवरी को मेरे अपने चुनाव क्षेत्र में पुलिस द्वारा शिवपुर के अन्दर गोली चलाई गई जिसमें 4 व्यक्ति मरे । वहां फिर कर्फ्यू

[श्री हुकम चन्द कछवाय]

लगाया गया। कर्फ्यू के समय लाखों की सम्पत्ति पुलिस ने घरों में घुस कर लूटी और पुरुषों को पकड़ा। कई लोग इस प्रकार के हैं जो जेल में भी नहीं हैं और अपने घरों में भी नहीं हैं। पता नहीं पुलिस ने उन्हें मारकर कहां फेंका है। उनका आज तक पता नहीं है।

पुलिस के लोगों ने महिलाओं की बेइज्जती की है। इतना ही नहीं काफी लोगों की जिन्हें चोटें आयी है, उन्हें पुलिस की निगाह में अस्पताल में रखा गया है और उन्हें धौंस दी जा रही है कि वह कहें कि पब्लिक ने गोली चलाई है। जब कि पुलिस ने गोली चलाई है। सरकार से जांच की मांग की गई है। सरकार ने इस बात को कबूल किया है।

मेरा निवेदन है कि जो वहां के स्थानीय अधिकारी हैं उनको वहां से हटा कर जांच करवाई जाये और मृतकों को मुआवजा दिया जाये। मेरा कहना यह भी है कि उन पर जो झूठे मुकदमे बनाये गये हैं उनको वापिस लिया जाये और उन्हें जेल से रिहा किया जाये। वरना इससे असन्तोष भड़क उठेगा।

मूल झगड़ा यह है कि लोग लगातार तीन साल से मांग कर रहे हैं कि शिवपुर को जिला बनाया जाय क्योंकि वह मुरैना से 200 मील दूर पड़ता है और लोगो को जिला स्थान पर आने में काफी समय लगता है। यह उचित मांग है। वहां के मुख्य मंत्री श्री सेठी ने घोषणा की थी कि यह जिला बनना चाहिये मगर फिर वह मुकर गये।

इसी प्रकार जे० बी० मंगाराम लाखों के करोड़ों रुपये की सम्पत्ति अपने मजदूरों की खा गया है और उसके साथ साथ उसने अपना कारखाना भी बन्द कर दिया है। मैं श्रम मंत्रालय से निवेदन करूंगा कि इस बारे में हस्तक्षेप कर के जे० बी० मंगाराम की जितनी फैक्टरियां हैं, उनको वह अपने हाथ में लेकर मजदूरों को चलाने के लिये दे।

अध्यक्ष महोदय : मैं आपसे एक बात कहना चाहता हूं। यह ठीक है कि आप अपनी बात कह लेते हैं लेकिन वह बातें कहा करें जो केन्द्रीय सरकार से सम्बन्धित हों। आप प्रान्तीय सरकार की बातें करते हैं तो कैसे हमारे मिनिस्टर यहां पर उसका जवाब देंगे ?

श्री हुकम चन्द कछवाय : सेंटर की पुलिस ने गड़बड़ की है, स्टेट की पुलिस ने नहीं की है। सेंटर की पुलिस सम्पत्ति लूट कर लायी है। मैं वहां नहीं जा सकता हूं, अगर आप कहेंगे तो चला जाऊंगा।

मै वहां का प्रतिनिधि हूं इसलिये मेरा कर्तव्य है कि अपने क्षेत्र की समस्याओं से सरकार को अवगत कराऊं और उसका ध्यान खीचूं। मैं आपसे निवेदन करता हूं कि आप उनसे कहें कि वे उसके बारे में स्टेटमेंट दें।

अध्यक्ष महोदय : मैं यह कहता हूं कि अगर प्रान्त की बात नहीं है, तो ठीक है, वह स्टेटमेंट दें।

SHRI S. M. BANERJEE (Kanpur): We are amazed over the growing discontent among the Working Journalists and the non-Working Journalists regarding the abnormal delay in the setting up of the Wage Board. You remember, Sir, the hon. Minister of Parliamentary Affairs had said that, if all parties decided to pass the amending Bill without any discussion, he would move it, and this was passed without any discussion. Yesterday a delegation led by Shri Chaturvedi and other leaders met the Prime Minister and expressed their concern, frustration, disappointment and anger over this abnormal delay. Before it is too

late and before the Working Journalists and the non-Working Journalists decide about a countrywide agitation as a protest against this abnormal delay, I would request the hon. Minister for Labour to make an announcement here. I know there is a puppet organisation which is standing in the way. The main organisation which is the backbone of this industry should be consulted and they should be represented. I would like that, in the next week a statement should be made as to when this Board is going to be set up

My second point is this. You are aware, Sir I have been raising this question in the House since long and I have come specially for this purpose; I was sick for the last six or seven days that there has been no normal delay on the part of the Central Government, specially the Ministries of Commerce and Industry, in taking over the Lakshmirattan Cotton Mills headed by the notorious businessman of Kanpur, Shri Ram Rattan Gupta. I was told by the Chief Minister, Uttar Pradesh, that he had recommended to the Centre that, within two months, the investigation should be completed and the mill taken over. Today 4,000 workers are on the streets, and he has not paid the ESI money and the Provident Fund money. Non-payment of government revenues is his capital. Still, the man goes about unabated and unchecked. I would request the hon Ministers of Commerce and Industry to see that the investigation report is submitted immediately and the mill taken over. We shall wait patiently upto 31st March, and if, by 31st March, nothing is done, we shall take over this Mill. We have taken a decision in Kanpur that this Mill will be in the hands of the employees and not of Mr. Ram Rattan Gupta.

श्री मधु लिमये (बांका) : अध्यक्ष महोदय, हवाई जहाज देर से आने के कारण मैं जो प्रश्न नहीं पूछ सका, मैं उसी को उठाना चाहता हूं। श्री चन्द्रजीत यादव और पैरा-माउंट इंजीनियरिंग वर्क्स के सम्बन्ध में मेरे प्रश्न के उत्तर में व्यापार मंत्री ने कहा है :

"M/s. Paramount Engineering Works, Lucknow, had last obtained import licences/release orders for Rs 65,47,674 for non-ferrous metal for the licensing period 1971-72.

(b) and (d). Government have no information on this. The unit has since been reported closed and the utilisation of imported materials is being looked into."

इस मामले में मैंने स्वयं व्यापार मंत्री को पत्र द्वारा सूचित किया था कि व्यापार मंत्रालय और कानपुर इम्पोर्ट्स कंट्रोल एथारिटी की फाइल्ज में तीन चार किस्म के नोटिग्ज हैं। एक नोटिग तो इस प्रकार है .

"Shri Chandrajit Yadav, M.P., had spoken to me regarding this case a couple of days back. I had requested Shri Yadav to send the representative of this firm to discuss this case."

दूसरा नोटिग यह है :

"Please finalise immediately. Shri Chandrajit Yadav, M.P., had sopken to me particularly regarding this case."

आगे एक और नोटिग है :

"Shri Chandrajit Yadav, M.P., has personally handed this to the Commerce Minister. The Commerce Minister has desired that this may kindly be examined and put up to him.

Sd. N. K. Nigam
22-12-73

Sd. S. R. Minocha
11-1-74

Sd. S. K. Grewal.
11-1-74."

[श्री मधु लिमये]

यहां तो 65 लाख रुपये की बात की गई है, लेकिन मेरे पत्र के उत्तर मे उन्होने कुबूल किया है कि दो साल मे उनको 75 लाख रुपये के लाइसेंस दिये गये है । मैंने उनसे यह माग की थी कि चूकि रिलीज आर्डर या माल को ब्लैक मार्केट मे बेचा जा रहा है, पैरामाउंट इजीनियरिंग वर्क्स की कोई फैक्टरी नही है, कोई कनजम्प्शन नही है, कोई प्रोडक्ट्स नही बनते हैं, कोई प्रोडक्ट्स बेचे नही जा रहे हैं, इसलिये इस मामले की जाच होनी चाहिये । लेकिन आज इसका जवाब मुझे क्या मिलता है ?

"Government have no information on this The unit has since been reported closed and the utilisation of imported materials is being looked into"

मैने स्पेसिफिकली यह पूछा था .

"Whether any investigations have been carried out into this scandal?"

आपने मेरे प्रश्न का (ए) और (बी) तो काट ही दिया । अब मै यह जानना चाहता हू कि श्री चन्द्रजीत यादव के खिलाफ जो ऐलीगेशन्स किये गये हैं उनके बारे मे मैंने कल जो प्रस्ताव दिया है, क्या आप उस पर अगले सप्ताह मे चर्चा करवायेगे, और अगर चर्चा करवाना आप के लिये सम्भव नही है, तो क्या आप व्यापार मत्री को आदेश देगे कि इस बारे मे वह एक स्पष्ट और तफसीलवार बयान इस सदन के सामने दें ।

श्री चन्द्रजीत यादव ने दूसरे सदन में कहा है—वह इस सदन में आने के लिये, और कोई सफाई देने के लिये, तैयार नही हैं—कि मैं कर्तव्य पूरा कर रहा था । मैं बार-बार इस सवाल को उठा चुका हूं । क्या ससद के सदस्यों का यह कर्तव्य है कि वे बोगस फर्मों को लाइसेंस दिलवायें ?

इस सम्बन्ध मे पांच छः सवाल उठते हैं । क्या वे फैक्टरीज ऐक्ट के तहत यह फैक्टरी रजिस्टर्ड थी ? क्या उसकी कैपेसिटी के एसेसमेंट के बारे में कोई सर्टिफिकेट था—क्या इस बारे मे कोई रिपोर्ट आई ? इसमें कुल कितना इनवेस्टमेंट हुआ था, जब कि उस को एक दो साल मे 75 लाख रुपये के लाइसेंसिज दिये जाते है ? यह कम्पनी कौन सी प्रोडक्ट्स बना रही थी ? उन प्रोडक्ट्स को खरीदने वाला कौन था ? इस कम्पनी की इनकम क्या थी और इस कम्पनी के मालिक, श्री शमशाद अली, की इनकम क्या थी, और उन्होंने इनकम टैक्स कितना दिया ?

जब तक इन प्रश्नो का सफाई मे उत्तर नही मिलता है, तब तक देश मे यह धारणा बनी रहेगी कि श्री चन्द्रजीत यादव ने बोगस फर्मों को लाइसेंस दिलवाया और जो अनाप-शनाप मुनाफा हुआ, उसमें उन्होंने साझेदारी की । इसकी सफाई होनी चाहिये । यह कांग्रेस पार्टी के हित में है । बाद मे ये लोग कहेंगे कि विकिड आपोजीशन इस तरह के सवाल उठाती है । सरकार इसका खुलासा क्यो नही करती है ? हम पहले पत्र लिख चुके है, लेकिन मंत्रियो का जवाब नही आता है, इसलिये इन मामलों को सदन मे उठाना पडता है ।

SHRI S. M. BANERJEE: I rise on a point of order.

This question has been listed for to-day but, unfortunately, hon. Member, Shri Madhu Limaye, was not present; otherwise, it would have come up. It is no question of the Commerce Minister replying this. A definite charge has been made against one of the Ministers, Shri Chandrajit Yadav, though at that time he was not a Minister and it is also said that the firm does not exist. I want that there should be a proper inquiry and the Minister, Shri Chandrajit Yadav should also make a statement because

I find that in this particular case, another hon Member, a late Member of this House, Shrimati Sucheta Kripalani had written...

THE MINISTER OF WORKS AND HOUSING AND PARLIAMENTARY AFAIRS (SHRI K RAGHU RAMAIAH) I am on a point of order Is this matter being discussed here? . (*Interruptions*) Is it a suggestion for next week s business? Or is it that a privilege motion was raised and since it was not allowed by the Speaker, it is being sought to be raised by some back-door procedure? I strongly object to this

SHRI S M BANERJEE The hon Minister made a statement in the other House wherein he has mentioned that the late Shrimati Sucheta Kripalani who was then Chief Minister of Uttar Pradesh had written to the Director of Industries Kanpur on January 26 1967

'I am sending Shri Shamshad Ali of M/s Parmount Engineering Works, Lucknow to you

SHRI K S CHAVDA (Patan) She is no more

SHRI S M BANERJEE

" I had written to you earlier also regarding his case

He is an enterprising young man I have seen his factory personally Please try to get him raw materials for his works"

I request that Mr Chandrajit Yadav may make a statement

श्री मधु लिमये : इस पर कोई स्टेटमेंट होगा ? आप कुछ आब्जर्वेशन करेंगे ? चन्द्रजीत यादव कोई स्टेटमेंट देंगे या कामर्स मिनिस्टर कोई स्टेटमेंट देंगे ? आप इस पर क्या ऐक्शन लेंगे ?

MR SPEAKER: When you raised this question, I saw this was replied to in the other House but I did not take notice of that. Mr Chandrajit Yadav brought some papers, it is for him to explain it in the House

श्री मधु लिमये : आप कामर्स मिनिस्टर से सफाई दिलवाइए (व्यवधान) ना ना क्या । रघुरमैया जी के डिक्टेट पर हम लोग चलेंगे या अध्यक्ष महोदय के आदेश पर चलेंगे ? रघुरमैया जी की हम नहीं चलने देंगे ।

SHRI K RAGHU RAMAIAH: I did not even get up Why do you take notice of what I whisper to my colleague here? I have not got up and said anything Why do you say like that?

श्री रामावतार शास्त्री (पटना) : अध्यक्ष महोदय मैं 19 फरवरी को धनुआडीह में हुई एक जघन्य घटना की तरफ आपकी मार्फत सरकार का और खास तौर से गृह मंत्री का ध्यान खींचना चाहता हूं । अखबार के दो शीर्षक पटना के बाद में अपनी बात कहना चाहता हूं ।

धनआडीह के मजदूरों पर चलेगोली हमला सूरजदेव सिंह गिरोह द्वारा अकारण अंधाधुंध गोली पिस्तौल बम का प्रयोग तीन मरे कई घायल झरिया शहर और आस-पास आतंक का राज्य भयंकर दहशत की स्थिति ।"

यह शीर्षक युगान्तर अखबार का है जो झरिया से प्रकाशित होता है । इस सिलसिले में यह कहना चाहता हूं कि श्री सूरजदेव सिंह जो वहां के आई० आई० टी० यू० सी० के लीडर बताये जाते हैं इनके नेतृत्व में 60—70 खूनी दरिंदों ने बी० सी० सी० एल० के दफ्तर और धनुआडीह कोलियरी के यूनाइटेड कोल वर्कर्स यूनियन के दफ्तर पर हमला किया और उन्होंने श्री ललिता सिंह श्री राजेन्द्र राय और श्री सुभाष राय को वहीं जान से मार दिया, उन की हत्या कर दी और कितने ही लोग

[श्री रामावतार शास्त्री]

अत्यंत घायल हुए। और यह तब हुआ जब वहां सरकारी पुलिस मौजूद थी, इंडस्ट्रियल सेक्योरिटी फोर्स के लोग मौजूद थे और जो वहां के इंचार्ज हैं सेक्योरिटी अफसर वहां मौजूद थे। उनकी मौजूदगी में यह बात हुई। बी० सी० सी० एल० के अधिकारी भी वहां मौजूद थे। इससे यह साबित होता है कि इन ए० आई० टी० यू० सी० के नेताओं की हत्या पुलिस और सरकारी अधिकारियों की मिली भगत से की गई। तो मैं यह चाहता हूं कि इस बारे में एक बयान गृह मंत्री यहां दें कि वास्तव क्या है ? क्योंकि यह स्थिति अभी वहां गम्भीर होती जा रही है। इस को बचाने के लिए यह जरूरी है कि इस पर एक बयान आए ताकि वस्तुस्थिति का पता चले और जो लोग गुनाहगार हैं उन के खिलाफ कार्यवाही की जाय।

MR. SPEAKER: This refers to matters relating to law and trder of the State...

श्री रामावतार शास्त्री दूसरी बात मैं यह निवेदन करना चाहता हूं कि हम लोगों में से बहुतों ने आप के पास ध्यानाकर्षण प्रस्ताव इस के लिये भेजा है। 40 कोलियरी मजदूर सिंदरीहट जिले के मिले कोलियरी में दब कर के मर गए और दो दर्जन से ज्यादा लोग घायल हैं। वह कोलियरी न सरकार की है और न किसी लाभंस प्राप्त मालिक की है। गैर-कानूनी तरीके से यह कोलियरी चलाई जा रही है। इस बारे में भी हम यह जरूर चाहेंगे कि सदन में बहस की जाये। आज जो जब कोलियरीज को सरकार ने अपने हाथ में ले लिया है तो गैर कानूनी तरीके से यह कोलियरी कैसे चलाई जा रही है ? किन लोगों ने इस के लिए इजाजत दी ? इन को किन का सहयोग मिल रहा है ? कम से कम आप इस पर हमारा ध्यानाकर्षण प्रस्ताव स्वीकार कीजिए ताकि हम इस पर तफसील से विचार कर सकें।

MR. SPEAKER: Kindly sit down. May I request the Members that when they make their submissions they are generally related to the business for the next week. But I see that many matters that are not connected are raised. And very often matters relating to the States are raised. Don't do that under this cover to refer to state matters. I have already made my observations in this regard.

श्री रामावतार शास्त्री : मंत्री महोदय से आप जवाब दिलवाते रहे हैं। साथ ही साथ ध्यानाकर्षण प्रस्ताव आपके विचाराधीन है। मामूली मामूली बातों पर ध्यानाकर्षण प्रस्ताव आ जाते हैं लेकिन 40-40 आदमी मारे जायें दुर्घटना में उस पर ध्यानाकर्षण प्रस्ताव न आए तो हम लोग यहां आखिर आए किस लिए हैं ?

SHRI P. G. MAVALANKAR (Ahmedabad) Mr Speaker, Sir the Minister for Parliamentary Affairs has already announced in the House that the House will have an opportunity of discussing the Kashmir accord next Monday. But, I hope that this House also gets an early opportunity for discussing the international situation in general because, if my memory does not fail, twice in the last two sessions this motion was admitted by you But, somehow, we could not have time to discuss various aspects of the international situation. The President's Address contains many paragraphs about issue of foreign affairs. But, somehow, we are not getting a chance or an opportunity of discussing the foreign affairs in a special way by having a special debate on it.

Secondly, only yesterday, the hon. Home Minister's Resolution for continuance of President's Rule in Gujarat had been passed by the House. I want therefore that the Government of India now takes still more positive and immediate steps with regard to meeting the developing worsening situation of drought and other problems in Gujarat. The Home Minis-

ter, Shri Brahmananda Reddy on the 6th February in the Consultative Committee meeting held here in Delhi said some of the things in regard to the scarcity I take those figures as the basis and I tell him that the situation is worsening. For example, he told us on 6th February that 9 757 villages were declared as scarcity hit But, my information is as on yesterday morning that that number has gone up to 11,600. The works started were..

THE MINISTER OF HOME AFFAIRS (SHRI K BRAHMANANDA REDDY): I said ab t that only yesterday

SHRI P G MAVALANKAR: I am giving you the details Works started were 9 360 but 4 130 works are today in progress The labour engaged was 5 48 lakhs whereas it is now 6 43 lakhs The problem of water shortage is acute as such At that time 165 water tankers were made available Now the number comes to 180 water tankers All these go to show that the problem requires immediate attention in terms of additional assistance by way of finance foodgrains and other materials which may be helpful to relieve the sufferings of the people of the drought-affected areas of Gujarat I hope the Minister will be able to make some kind of an urgent assesement as to how to meet the difficulties of the people of Gujarat by making a statement to the House next week.

श्री जनेश्वर मिश्र (इलाहाबाद) अध्यक्ष महोदय, मैं अगले हफ्ते के लिए दो निवेदन करना चाहता हूं। एक तो यह कि जब पिछले दिनों रेलवे हड़ताल चली तो रेल कर्मियों के समर्थन में ए०जी० आफिस के बाबू लोगों ने भी हड़ताल की थी एक दिन के लिये टोकन स्ट्राइक. उस सिलसिले में देश भर में उन के खिलाफ कार्यवाही की गई है। आज मेरे पास तार आया है इलाहाबाद के ए० जी० आफिस से कि वहां के उन के जो नवनिर्वाचित जनरल सेक्रेटरी हैं कृपाशंकर श्रीवास्तव, ए० जी० उन को ए० जी० आफिस के कैम्पस में घुमने की इजाजत नहीं दे रहे हैं। हम समझते है कि महा लेखाकार के कार्यालय के बारे में कोई भी मन्त्रालय जिम्मेदारी लेने के लिए तैयार नहीं होगा, फिर भी हम मांग करेंगे कि इस के ऊपर वित्त मंत्री जी अगले हफ्ते प्रकाश डालें।

दूसरी बात —कल जब प्रधान मंत्री जी जवाब दे रहे थी और भ्रष्टाचार की चर्चा कर रही थी तब मैं ने उन का टोका था कि मारुति टाइप आफ करप्शन के बारे में क्या होगा तो उन्होंने कहा था कि उस में कोई भ्रष्टाचार नहीं है। उस पर जितने आरोप लगे है सब का जवाब दिया जा चुका है। इस सदन में कई बार मारुति के सवाल को लेकर के..

(व्यवधान)

SHRI K RAGHU RAMAIAH: I rise on a point of order, Shri Janeshwar Mishra is referring to Maruti when he should be talking about items Nos (1) and (2) of which he has given notice

श्री जनेश्वर मिश्र उस के इम्पोर्ट लाइसेंस को ले कर के, उसका एजेन्ट जो समगल है, कर आया है उस को लेकर के या वे कम्पनी जो उस में पेयर हो इस में उन का जो विदेश मुद्रा दी गई उसको लेकर के इस सदन में कई बार चर्चा की गई है कि उस के लिए जांच क्यों पर बैठाई जाये। हम समझते है कि अगर यह सच है कि प्रधान मंत्री जी ने इतने वजन के साथ कहा है कि इस का जवाब दिया जा चुका है तो यहां पर इस सदन में हम लोगों ने कई बार यह प्रस्ताव रखा है कि मारुति कम्पनी पर एक संसदीय जांच कमेटी बैठाई जाए और उस पर बहस की जाए हम चाहेंगे कि अगले हफ्ते गृह मंत्री उस पर वक्तव्य दें।

डा० लक्ष्मी नारायण पाण्डेय (मंदसौर) : अध्यक्ष महोदय, कृषि राज्य मंत्री महोदय ने अपने एक वक्तव्य में कहा था कि उन को कृषि मूल्य आयोग का प्रतिवेदन प्राप्त हो चुका है। उधर गन्ना उत्पादकों तथा किसानों के अन्दर सरकार की नई खाद्य नीति के अन्तर्गत गेहू आदि की प्रौक्योरमेंट तथा गन्ने की कीमत को लेकर बड़ा भारी असंतोष है। स्वय कृषि राज्य मत्री जी ने इस तथ्य को स्वीकार किया है कि कृषि मूल्य आयोग ने अपनी सिफारिशों मे गन्ने की कीमत बढाने के बारे में सिफारिश की है। मै समद कार्य मत्री जी के माध्यम से कृषि मत्री महोदय से अनुरोध करूंगा कि वे इस बारे मे एक वक्तव्य देने की कृपा करेगे कि गेहू के प्रौक्योरमेन्ट और गन्ने की कीमत के बारे मे उन की नीति क्या है? आप इनकी कीमते बढाना चाहते हैं अथवा नही?

मेरा यह भी अनुरोध है कि उस प्रतिवेदन को सभा पटल पर रखा जाये तथा इस सदन में उस पर चर्चा हो।

SHRI K. RAGHU RAMAIAH: Sir, as you have rightly observed, my statement relates to the business during the next week. So, whatever pertains to the business during the next week, I shall communicate it to the concerned Ministers.

12.30 hrs.

TOBACCO BOARD BILL—contd.

SHRIMATI T. LAKSHMIKANTHAMMA (Khammam): Mr. Speaker, Sir, I welcome the Tobacco Board Bill, 1974. We have been for many years pleading on the Floor of the House for appointment of a Board like this. Shri L. N. Mishra, when he was Minister of Commerce assured this House that such a Board will be set-up and now this Bill is before the House and we welcome it. Andhra Pradesh has been the largest grower of virginia tobacco. I think, Andhra grows more than 80 per cent of the total production of virginia tobacco in the country. Even in Andhra Pradesh the largest quantity of tobacco is grown in the district of Guntur. The tobacco growing agriculturists have a number of difficulties and lack of facilities as far as growing and marketing is concerned. I hope this Bill tries to remove some of these drawbacks. I request that some of the difficulties that the agriculturists have been facing such as payment for their produce, or the marketing of their produce or the prices for their produce. I think, in the Bill, certain provisions have been made for stabilising the prices of tobacco. Sir, the agriculturists should be given fertilisers. Though the Bill seeks to remedy many of the difficulties of the agriculturists, still, it is not all comprehensive. There is no mention about the purchase or the marketing of tobacco. Now, in auction, anybody can go and purchase and if they all are united, the same old difficulties will continue.

Sir, the companies which are in this trade are exploiting the agriculturists to such an extent that payment is not made in time. If tobacco is bought this year, most probably, the payment will be made next year. Not even half of the payment is made this year. The agriculturists are not able to get fertiliser on loan. Sir, tobacco is such a produce which needs a lot of fertiliser and fertiliser is not available in the open market. They have to go somewhere and buy fertiliser at an exhorbitant price. So, how are you going to remedy the situation? The proposed Board should see that the agriculturists are given fertiliser in adequate quantities. Some facilities should be given so that the agriculturists are able to get fertiliser. I think there are some private companies which give fertiliser on loan—I remember one—and they deduct the amount at the time of purchasing the tobacco. So, you should evolve certain things like this so that the agriculturists are able to get fertiliser. There should also be some facilities for making payments. When tobacco is bought, there should be immediate payment, instead of postponing it to next year or some other year.

I am also glad that some provision has been made in this Bill for research. Tobacco is a produce which needs research from time to time. Improvements can be made. There should also be publicity abroad. This is a commodity which fetches substantial amount of foreign exchange for the country. We now learn—I do not know the reasons; the Minister must be able to explain—that there has been a fall in demand in the international market. I do not know whether it is because the consumption of tobacco is coming down. We do not grudge about it. But, why has it been so? What are the reasons? Some people have been complaining that the demand for tobacco has fallen, compared to the previous years. The question is, whether it is only in regard to our tobacco. It is also good that the Bill makes provision for publicity abroad so that Indian tobacco can be exported and we will be able to get more foreign exchange.

Sir, another question is, what is the Government going to do in regard to the private companies? These private companies have not been very clear in their dealings, as far as the agriculturists are concerned. What is the Government going to do? It is all right you have said that the agriculturists have all to get registered. Only when you give a certificate, they will be eligible to grow tobacco other-wise not. In order to remove the injustices that may be done in this process, the agriculturists who have been growing tobacco for a long time should be allowed to continue growing tobacco and their requests for issue of these certificates should not be rejected.

I think there is scope for expansion also. After the Nagarjunasagar project is completed, there will be change in production-complex in Guntur in respect of tobacco because it will be mostly irrigated land and there might be charge in production pattern. But what about expanding it to other parts? All this had to be surveyed and help should be given to the agriculturists. I welcome this Bill.

The Bill also says that the grower should get a remunerative price and that there should be no wild fluctuations in price. But how are you going to do it? You are going to auction and the same companies may unite and see that a fair price is not paid to the agriculturist. One thing is that there should be improved marketing within the country. All those clauses are there. What is more important is implementation. You are going to constitute a board with eminent Members of Parliament as well as Members in the trade and some officers. They should take suitable steps. The should take special interest because their resources which we see from the Bill are not much. They should be given more resources and facilities to under take the work entrusted to them.

SHRI PATTABHI RAMA RAO (Rajamundry): Sir, this legislation is long overdue. But better late than never and I am glad that the Government had come forward with this Bill at least now, to safeguard the interests of the farmers as well as persons in tobacco trade. Andhra Pradesh grows the largest amount of tobacco and thus contributes to the Government by way of excise and sales tax. So we feel that people should be given the benefits they are entitled to. At present there are a few monopolists who dictate the price to the grower who takes all the trouble. The grower parts with the commodity at whatever price they give. Their interests should be safeguarded by this legislation.

I have tabled a few amendments to make the Bill fool proof and I want to refer to them. Clause 6(5) in the Bill as is worded at present prohibits the full time officers from undertaking any work unconnected with their duties except with the permission of the Central Government. In view of the provision contained in clause 9(1) thereby the Government may dissolve the board at any time, such officers should be permitted to continue their connections, if any, with business concerns other than tobacco companies.

[Shri Pattabhi Rama Rao]

Suppose they appoint a brilliant lawyer who is a retired judge and who practices in the High Court or Supreme Court which does not come in clash with tobacco business. If he is asked to stop the practice completely and serve the Board as its chairman, what is his position? Suddenly after a year or so, if they dispense with his services, he will be neither here nor there. I suggest that in such circumstances they may be allowed to continue in their own business or calling which will not come in the way of his duties as chairman. Or, in the alternative, the appointment of these officers must be for a minimum period of five years in order to attract exceptionally qualified persons. Personally I feel that a person who is appointed as chairman must have perfect knowledge not only of tobacco growing but also the tricks of the business and he will be a good chairman.

I have also given notice of a new sub-clause 8(2)(k). The reason is quite obvious. It is the general impression that certain companies which are part of the world monopolies are controlling the prices of Indian tobacco.

With regard to clause 8(2)(h), I may say that the expression 'promoting' gives an impression that at best it is an honest endeavour. For proper auctioning of tobacco, as envisaged under section 13, it is essential that tobacco must be graded by the farmers themselves. Otherwise there will be confusion. If the farmer does not grade the tobacco and sends it in a lot in a confused way, the monopolies can dictate their own terms. By making use of this lacuna that it has not been properly graded, he will put up any price that suits him. That way the grower may lose. If grading is done at the farmers' level, it will serve a useful purpose.

New sub-clause 8(2)(l) is proposed with the idea that the tobacco board should take over the functions of the present AGMARK department connected with tobacco. This is essential for proper functioning of tobacco marketing, both from the point of view of foreign Exchange Regulations Act, and also for the purpose of scientific auctioning of tobacco. Getting a proper label for the grade is a prerequisite before auctioning of tobacco commences and this should be within the jurisdiction and functions of the Tobacco Board. If it is left to AGMARK that may do it in their own way and take their own time. This responsibility has to be given to the board.

With regard to clause 13(b), while part of the proposed amendment is covered by clause 8(2)(b) and (g), the proposed amendment clearly defines the functions of the Board vis-a-vis the auctioning of tobacco. As one of the main functions under sub-clause 8(2)(h) is grading of tobacco at the level of growers, certain non-descript tobacco will be left over with the growers for which they may not have an immediate outlet. It is this difficulty that is making them not to gade the tobacco, so that they can mix all types of tobacco and dispose of them. So that the farmer does not lose, it is essential that the Board must be in a position to purchase the tobacco unsold on the auction floor and find a market for it either in India or abroad.

These are the few suggestions I am making in connection with the amendments I have given notice of, and I am sure this legislation will help the grower and the trader, and Andhra Pradesh particularly is grateful for this legislation.

डा० लक्ष्मीनारायण पांडेय (मंदसौर) : तम्बाकू उद्योग को सुव्यवस्थित करने के लिए किसानों को तम्बाकू का ठीक दाम दिलाने के लिए तथा विर्जीनिया तम्बाकू का विदेशों में ज्यादा से ज्यादा निर्यात करने के लिए उसको ज्यादा से ज्यादा निर्यात योग्य बनाने के लिए तम्बाकू बोर्ड विधेयक यहां लाया गया है। जहां तक तम्बाकू उद्योग का सम्बन्ध है केवल आंध्र में ही नहीं भारत के विभिन्न राज्यों में भी काम कर रहा है दूसरे राज्यों में

मे भी काफी बडी मात्रा मे तम्बाकू का उत्पादन होता है । उन राज्यो मे मध्य प्रदेश और गुजरात राज्यो के नाम उल्लेखनीय है । मैं समझता हू कि मत्री महोदय असहमत नही होगे कि अन्य राज्यो मे भी इसका भारी मात्रा मे उत्पादन होता है और उसका भी ठीक तरह से उपयोग हो सके, उसको भी निर्यात योग्य बनाने की चेष्टा हो सके, इस दृष्टि से उस पर भी विचार किए जाने की आवश्यकता है । वहा पर भी इसके उत्पादन को बढाने तथा किस्म को सुधारने के प्रयत्न होने चाहिये, इससे वह इन्कार नही करेंगे ।

जहा तक तम्बाकू उद्योग का सम्बन्ध है सरकार के द्वारा कई बार घोषणा की गई है कि इस प्रकार का एक बोर्ड बनाया जाएगा । 1972, मे 1973 मे और 1974 मे भी लगातार इसके बारे मे घोषणा की जाती रही है कि इस प्रकार का बोर्ड बनाया जाएगा । अभी तक यह बनाया नही गया था । आध्र मे और कर्नाटक मे किसानो के सामने उत्पादको के सामने कठिनाई आई और उनके पास स्टाक जमा हो गया भारी मात्रा मे और जब विदेशो मे इसके निर्यात मे कमी होने लगी और जो बीच वाले लोग थे या मध्यस्थता करने वाले लोग थे वे कम दामो पर उस तम्बाकू को खरीदने लगे तो किसानो की उत्पादको की कठिनाई को सरकार ने भी अनुभव किया और बोर्ड बनाने का निर्णय किया और अब हमारे सामने तम्बाकू बोर्ड विधेयक लेकर यह आई है । उसके कारण से हम काफी हानि पहुची है और आगे भी इस प्रकार की हानि पहुचने की सम्भावना न रहे इस दृष्टि से बोर्ड का गठन किया जा रहा है क्योंकि उस समय भारी मात्रा मे विर्जीनिया तम्बाकू का स्टाक जमा हो गया था ।

जहा तक बोर्ड के गठन का सम्बन्ध है इसके बारे मे कोई विवाद नही है । जहा तक तम्बाकू उत्पादन का सम्बन्ध है, वर्जीनिया तम्बाकू का बड़ी भारी मात्रा मे विदेशो को निर्यात किया जाता है और लगभग पचास देशो को इसका निर्यात होता है । इसका पचास प्रतिशत भाग आन्ध्र मे जो तम्बाकू का उत्पादन होता है, उसका होता है । इस दृष्टि से यह आवश्यक था कि जो डिवेलेपमेंट बोर्ड था वह इस काम मे रुचि लेता । लेकिन उसने रुचि नही ली । इस का परिणाम यह हुआ कि विदेशो की तुलना मे हमारे यहा प्रति एकड तम्बाकू का उत्पादन बहुत ही कम है । हमारे देश मे इस का उत्पादन प्रति एकड 340 किलो है जबकि यू एस ए मे 908 किलो इसका एवरेज उत्पादन है और रोडेशिया मे 540 किलो है । इस दृष्टि से उत्पादन के मामले मे हमारा देश बहुत पीछे है । तम्बाकू बोर्ड को इसका उत्पादन बढाने की दिशा मे इसके रिसर्च की दिशा मे तथा इसका ठीक ढग से निर्यात हो इस दिशा मे विशेष प्रयत्न करने के लिए कहा गया है । यह स्वागत योग्य है । मैं समझता हू कि भारत को ज्यादा से ज्यादा सक्षम रीति से इस कार्य को करना चाहिये और उत्पादन तथा निर्यात को बढाना चाहिये ।

यह जो बोर्ड बनाने का सुझाव है यह केवल विर्जीनिया तम्बाकू के उत्पादन या उसकी क्वालिटी का रेग्युलेट करने तक ही सीमित है जैसा कि विधेयक की धारा 7(जी) मे कहा गया है

"purchasing virginia tobacco from growers when the same is considered necessary or expedient for protecting the interests of the growers and disposal of the same in India or abroad as and when considered appropriate"

मै समझता हू कि किसी विशेष किस्म तक ही इस को सीमित रखने की आवश्यकता नही है । यह ठीक है कि एक्सपोर्ट की दृष्टि से विर्जीनिया तम्बाकू का विशेष महत्व है । मै समझता हू कि विशेषकर गुजरात और मध्य प्रदेश मे जहा दूसरी किस्म के तम्बाकू

[डा० लक्ष्मीनारायण पाडेय]

का उत्पादन होता है यदि उसका विदेशो मे निर्यात हो सकता है तो उस ओर भी बोर्ड को ध्यान देना चाहिये और उस दृष्टि से उस तम्बाकू का विकास भी करने का प्रत्यत्न करना चाहिए । उसका उत्पादन हमारे यहा भी बढ़ सकता हे उसकी क्वालिटी मे सुधार लाया जा सकता है और इस दृष्टि से उस दिशा मे प्रयत्न करने की आवश्यकता है और वे किए जाने चाहिये । बोर्ड को इस ओर भी ध्यान देना चाहिये ।

जो बोर्ड का गठन है उस मे भी बहुत सी खामिया है । दो राज्यो को बोर्ड मे सम्मिलित करने की व्यवस्था की गई है :

"The Government of Andhra Pradesh and the Government of Karnataka"

यह भी कहा गया है कि प्रोपोर्शनेटली या बारी बारी मे उन राज्यो को भी इसमे लिया जाएगा जो तम्बाकू का उत्पादन करते है । मैं समझता हू कि बोर्ड मे अगर गुजरात और मध्य प्रदेश इनदो राज्यो को पहले से ही सम्मिलित कर लिया जाए तो ज्यादा अच्छा रहेगा । इनका तम्बाकू के उत्पादन मे बहुत बडा हिस्सा है । दूसरो का जिन का उतना बडा हिस्सा नही है उनके लिए जो व्यवस्था आपने रखी है वह कायम रह सकती है । इसके सम्बन्ध मे मैंने सशोधन भी प्रस्तुत किया है कि गुजरात और मध्य प्रदेश को उसका रेग्युलर मैम्बर बना लिया जाए और इस हेतु धारा तीन मे उपयुक्त सशोधन कर दिया जाए । यदि आप मेरे इस सशोधन को स्वीकार कर लेंगे तो मैं समझता हू ज्यादा अच्छा होगा ।

पार्लियामेंट के मैम्बर जो आपने इस मे रखे हैं उसके बारे मे भी मेरा एक संशोधन है जिस मैं मैंने चाहा है कि उनकी सख्या को बढ़ाया जाए । मैं आशा करता हूं कि मेरे इस संशोधन को भी आप स्वीकार कर लेंगे ।

धारा 8 मे ऐसे लोगों क, को इस बोर्ड मे सम्मिलित किए जाने की व्यवस्था की गई है जो तम्बाकू उद्योग के अन्दर रुचि रखते हैं या जिनकी सहायता लेना सरकार उपयुक्त समझती है, उत्पादको के प्रतिनिधियो को लेने की भी आपने व्यवस्था की है मैं चाहता हू कि इसके साथ साथ आप श्रमिक जो है उनके प्रतिनिधियो को भी सीधे इस मे सम्मिलित करने का प्रयत्न करे । इसके सम्बन्ध मे जो मैंने सशोधन दिया है यदि आप उसको स्वीकार कर लेंगे तो यह ज्यादा उपयुक्त होगा । श्रमिकों के प्रतिनिधियो को तो आपने सम्मिलित किया है लेकिन उनके प्रतिनिधियो को भी आप सम्मिलित करे । आपने इसको खुला रखा है और कहा है कि आप चाहें तो ऐसा कर सकते है । क्लाज 8 मे आपने लिखा है

"The Board may associate with itself in such manner and for such purposes any person whose assistance is necessary"

मैं चाहता हू कि आप स्पेसेफिकली कहे कि जो मजदूरो के प्रतिनिधि हैं वे भी नामिनेट किए जाएगे । किसानो के साथ साथ मजदूर वर्ग बहुत बडी सख्या मे इस मे काम करता है और उस दृष्टि से इस सशोधन को स्वीकार कर लेना ज्यादा उपयुक्त होगा, उसका सहयोग लेना ज्यादा उपयुक्त होगा । साथ ही तम्बाकू मे चलने वाले अन्य उद्योगो के बारे मे भी बोर्ड को कोई व्यक्तिगत नीति निर्धारित करना आवश्यक है ।

अन्त मे मैं इतना ही कहना चाहता हू जहा आपने विर्जीनिया तम्बाकू के बारे मे विशेष प्रावधान किया है वहा आप दूसरे तम्बाकू के बारे में भी विचार करे ताकि जहा विर्जीनिया तम्बाकू के एक्सपोर्ट पर ध्यान दिया जाना आवश्यक है वहां दूसरे तम्बाकू का भी एक्सपोर्ट किया जा सके और ज्यादा से ज्यादा विदेशी मुद्रा प्राप्त हो सके । इस दिशा में सरकार ने अब तक जो प्रयत्न किए

हैं वे काफ़ी प्रतीत नहीं होते है । क्वालिटी, रिसर्च आदि की जो बातें मैंने पहले कही हैं उन पर ध्यान दिया जाए और विधेयक में जो कुछ खामियां है उनको दूर करने का प्रयत्न किया जाए ताकि विभिन्न राज्यों में तम्बाकू उत्पादक जो हैं उनके हितों का संरक्षण हो सके और विदेशी मुद्रा भारी मात्रा में प्राप्त हो सके ।

MR. SPEAKER: Shri B. K. Daschowdhury. He may speak after lunch.

13.00 hrs.

The Lok Sabha adjourned for Lunch till Fourteen of the Clock.

The Lok Sabha reassembled after lunch at Five Minutes past Fourteen of the Clock

[MR. DEPUTY-SPEAKER *in the Chair*]

TOBACCO BOARD BILL

MR. DEPUTY-SPEAKER: Mr. B. K. Daschowdhury.

SHRI B. K. DASCHOWDHURY (Cooch-Behar): Mr. Deputy-Speaker, Sir, I must thank the hon. Minister for coming forward with this Bill. It is really a very welcoming measure, though belated But, Sir, I must say at the same time that, if one goes through the Bill, one will find that the entire Bill is only—if I may put it subject to qualification—for that tobacco, the quality of which is exported to earn foreign exchange, *i.e.*, the virginia tobacco. No doubt, in Clause 8, sub-clause (3), there is a little reference:

> "Without prejudice to the generality of the provisions of sub-section (1) and subject to priority being given to matters specified in sub-section (2), the measures referred to in sub-section (1) may also provide in relation to tobacco, other than virginia tobacco, for all or any of the matters specified in clauses (c) to (g) of sub-section (2) and for this purpose any reference in those clauses to virginia tobacco shall be construed as including a reference to tobacco other than virginia tobacco."

This is the only slight reference but has been made here. It is true, as the hon. Minister has said, we are growing tobacco to the extent of nearly 400 million kgs. or a little more. I would like to point out that the hon. Minister, in the Statement of Objects and Reasons, has said that in India our average annual production is 350 million kilograms. but according to Government statistics, it is more than 400 million kilograms. But that is not the main point. The question is, out of these 350 million kgs. of annual production of tobacco in this country or 400 million kilograms, there are a number of other varieties also. It is not only the virginia tobacco that we are producing in this country. There are a good number of other varieties also. In Bihar there are ten or twelve varieties; in some other places also there are other varieties. I do not know why particular importance or emphasis has been given to the virginia tobacco I could appreciate one thing that it gives us a good amount of foreign exchange. But I would should consider giving directions to the urge upon the hon. Minister that he Tobacco Board that is contemplated under this particular Bill that it should give priority, facilities and subsidies not only to virginia tobacco as the Bill provides, but it should also give due importance to the other varieties of tobacco which are produced in the country. If one has the time to go through the rules and regulations and the directions given by the Central Board of Revenue in regard to tobacco production, its curing and other things, one will be astonished to learn that the facilities in respect of tobacco production which are being offered by the Government are limited only to certain States; by and by, they have been extended to Bihar and Orissa and all other States in the West and the North, but unfortunately, those facilities have not been extended to West Bengal and Assam and other States in this region.

[Shri B. K. Daschowdhury.]

Now, let us consider what is the total production in West Bengal and Assam. Out of the production of 350-400 million kgs. or in other words 400,000 tones of tobacco, Assam grows 6,000 tonnes. West Bengal grows 8,000 to 10,000 tonnes and some other States, e.g. Maharashtra grows roughly 6,000 tonnes which is equivalent to Assam's production or a little less. But West Bengal is producing more. But the facilities and subsidies given to the tobacco growers in Maharashtra, Bihar and Orissa are not being offered to the tobacco-growers of West Bengal and Assam. I do not know why this discrimination.

Moreover, out of the total 10,000 tonnes of annual production in West Bengal, about 80 per cent grows in a particular area of one district alone, that is Cooch-Behar. Their annual production varies from 7,000—10,000 tonnes. Out of this total 7000—10,000 tonnes of tobacco that is grown in that district of Coach-Behar, the wrapper tobacco is one which, according to experts, is decidedly one of the best varieties of the world There is no dearth of buyers for this wrapper tobacco. Unfortunately, the poor wrapper tobacco-growers are not in a position to got even a minimum price, that should be paid for this wrapper quality tobacco that is grown because the market is such that big tobacco merchants and firms have their own agents and they are purchasing from the villages and they have their bonded houses according to the Central Board of Direct Taxes and the Excise Department whereas the poor growers have no facilities to keep their produce in bonded houses. Therefore, they are forced and compelled to sell their tobacco within a certain stipulated period. As a result what happens? The poor growers do not get a fair price, not even the minimum price which should be given to the growers. I have not seen any provision here in this Bill where there is a word at least to say that a sort of a fair price will be given to the tobacco-growers. Mention should be made—I should not omit that—that an attempt will be made so that poor tobacco-growers may also get a fair price. But how are you going to implement it? Is the proposed Board going to purchase tobacco in bulk quantities from the growers so that the growers may get a remunerative or fair price that you may fix? No such power has been given also to the Tobacco Board. It is all left in the hands of the private traders though directions and other things may be given from here. Therefore, I would submit that facilities and the assistance offered to the tobacco-growers in other States of India—I mean States other than West Bengal, Assam and the small States like Mizoram, Maghalaya, Manipur, Arunachal Pradesh and Nagaland should be extended to these States also. If there is anything, it should be uniform throughout the country West Bengal, Assam and other eastern States should not be neglected and deprived of this concession.

Thirdly, as I mentioned, there must be a specific system as to how you are to fix the price in order to give a fair price to the growers. That is the crux of the whole problem

Why are you thinking of forming a Board? It is in order to reform the entire business, not only to earn money and foreign exchange which is no doubt one of the main objects but the main emphasis should also be that the poor growers should be given an adequate and fair price and to do that, it should be considered seriously as how to eliminate these middlemen or these small agents who are depriving the poor growers of getting a fair price. My fourth point is this. In Cooch-Behar tobacco is grown in a very light, sandy, alluvial soil. The Objects and Reasons of the Bill says that this Varginia tobacco is grown on a light soil. In Cooch-Behar we have this sort of light soil and this area should be given all necessary facilities. I request that the hon. Minister may send an expert team to

look into the condition of this soil in Cooch-Behar area and to give them necessary facilities. This is one of the most neglected areas. If you grow virginia tobacco in Cooch-Behar it will compare very well one of the best varieties of Virginia tobacco that is grown in different parts of the world. Not only wrapper tobacco, but I would like to tell the Minister, that tobacco research should include all other aspects also. You are carrying out research in regard to wrapper tobacco for manufacture of cigar at Cooch-Behar. That is not enough. You must go to the various other researches also. You should find out what is the best way to develop these varieties of tobacco. These tobacco-growing areas will have to be developed and for that perpose some schemes have to be taken up. With these words I support the Bill.

श्री इसहाक सम्भली (अमरोहा) : डिपुटी स्पीकर साहब, मुझे खुशी है कि सरकार ने तम्बाकू बोर्ड बिल में तम्बाकू पैदा करने वालों और तम्बाकू का काम करने वालों की तरफ भी तवज्जुह दी है। लेकिन मुझे यह देख कर दुख होता है कि सरकार की आदत हो गई है कि वह छोटे छोटे टुकड़े कर के बिल लाती है। आज तम्बाकू गोदामों और तम्बाकू वर्कर्ज का जिस तरह एक्सप्लाटेशन हो रहा है, उस को देखते हुए जरूरत इस बात की है कि इस बारे में एक काम्प्रहेंसिव बिल लाये।

मेरी स्टेट में भी तम्बाकू पैदा होता है—आन्ध्र प्रदेश के मुकाबले में थोड़ा सा। बिहार में भी तम्बाकू पैदा होता है। आप को मालूम है कि किस तरह तम्बाकू ग्रोअर्ज का एक्सप्लायटेशन होता है और किस तरह एक्साइज वाले उन को परेशान करते है। एक तरफ सरकार की एक्साइज ड्यूटी मारी जाती है और दूसरी तरफ तम्बाकू ग्रोअर्ज को पूरे दाम नहीं मिलते हैं। क्या सरकार ने इस तरफ तवज्जुह दी है? क्या किसानों को पूरे दाम दिलाने के लिये बोर्ड की ड्यूटीज में कोई बात शामिल की गई है? नहीं।

तम्बाकू की पैदावार तब बेहतर होगी, जब तम्बाकू पैदा करने वाले किसानों और तम्बाकू वर्कर्ज को राहत दी जाएगी और उन्हें सहूलियत मुहैया की जायेगी। सब से ज्यादा तम्बाकू बीडी बनाने वाले यूज करते है। लेकिन क्या बीड़ी वर्कर्ज की हालत को बेहतर बनाने के लिए इस बोर्ड के फ़रायज मे कोई चीज रखी गई है?

जहा तक इस बात का ताल्लुक है कि इस बोर्ड मे कौन कौन होंगे, इस बिल में बताया गया है कि उस मे पार्लियामेंट के मेम्बर होंगे।

श्री नवल किशोर वर्मा (दौसा) : वही तो बीडी वालों के रिप्रेजेन्टेटिव होंगे।

श्री इसहाक सम्भली : उस मे बीडी वर्कर्ज नहीं, बीडी फ़ैक्टरियों के ओनर्ज होंगे, जो मध्य प्रदेश मे सरकार बनाने की कोशिश करते है। वह बहुत मजबूत लाबी है।

इस बोर्ड मे रिसर्च स्कालर होंगे, एक्सपोर्टर्ज के रिप्रेजेन्टेटिव होगे और मैनुफ़ैक्चरर्ज के नुमायदे भी होंगे। लेकिन अगर कोई नहीं होगा, तो वर्कर्ज का नुमायदा कोई नहीं होगा। इस तरह पर आखिर टुबैको ग्रोअर्स के लिए कौन बहतरी की जायगी? किस तरह पर टुबैको का प्रोडक्शन कुछ बेहतर बनाया जायगा? उन में काम करने वाले इंसान 40 लाख है जो हिन्दुस्तान में सिर्फ बीड़ी बनाने में लगे हुए है। लाखो की तादाद में है जो सिगार और सिगरेट बनने में लग हुए है। लेकिन उन का रेप्रेजेन्टेटिव बोर्ड में कोई नहीं होगा। बार बार सवाल उठा रहे हैं, दूसरे मुल्को से मांग आई है, अमेरिका और कुछ दूसरे अफ्रीकन देश तथा कुछ और दूसरे देश हिन्दुस्तान की बनी हुई बीड़ी पंसद करते हैं, मंगवाना चाहते है, लेकिन हमारे यहां चूंकि बड़ मिल मालिको को कोई फायदा नहीं होगा जो बड़े बड़े कारखाने चलाते हैं, इसलिए की उस की तरफ तवज्जह नहीं दी जाती ताकि तम्बाकू

[श्री इसहाक सम्भली]

सस्ता मिलता रहे । मैं पूछना चाहता हूं तम्बाकू मे काम करने वाले मजदूरो के रेप्रेजेन्टेटिव को आपने इस में क्यो नही रखा ?

मुझे देख कर के ताज्जुब हुआ, आप अच्छी तरह से जानते है कि आज भी फारेन कन्ट्रीज वाले, फारेन इन्टरेस्ट रखने वाले तम्बाकू के कारखानो के मालिक है । आज भी उन की सिगरेटे चल रही है । इस बोर्ड के अदर यह क्यो नही रखा गया है कि उन को न लिया जा सके ? मैं कहूगा सरकार को ऐलान करना चाहिए कि सरकार ऐसा इतजाम करेगी कि फारेन इटरेस्ट रखने वाले किसी नुमाइन्दे को इस बोर्ड मे नही आने दिया जायगा, वरना ये फारेनर इसी तरह इस मे बैठे रहे तो शायद यह इडस्ट्री भी कभी तरक्की नही कर पाएगी । इसलिए इस की जरुरत है और मै फिर जोर देकर कहूगा कि मिनिस्टर साहब इस का इत्मीनान दिलाए कि इसका इतजाम वह करेगे कि वर्कर्स के नुमाइन्दे इस मे आये । आखिर उन्होंने क्या कसूर किया है कि टी बोर्ड मे वर्कर्स के नुमाइदे होगे, काफी बोर्ड मे वर्कर्स के नुमाइदे होगे, सिर्फ टुबैको बोर्ड मे ही वर्कर्स के नुमाइदे नही होगे ? इसलिए मेरी दरख्वास्त है तीन चीजो के लिए पहली चीज प्रोड्यूसर्स के लिए माकूल और वाजिब कीमत मिलती रहे इस का इतजाम किया जाय । बोर्ड को अधिकार दिया जाय कि वह तम्बाकू खुद खरीदे । कम से कम इस के होलसेल ट्रेड को सरकार को अपने कब्जे मे लेना चाहिए । दूसरे, वर्कर्स की इस मे नुमाइन्दगी होनी चाहिए । तीसरे, जो और वर्कर्स डिफरेट सेक्शस मे काम करते हैं तम्बाकू के उनको भी उस मे लेना चाहिए । तब तो इस बिल के लाने का कोई मकसद है वरना कोई मकसद इस से हल होने वाला नही है ।

[شری اسحاق سنبھلی (امروہہ)]

ڈپٹی سپیکر صاحب مجھے خوشی ہے کہ سرکار نے تمباکو بورڈ بل میں تمباکو پیدا کرنے والوں اور تمباکو کا کام کرنے والوں کی طرف بھی توجہ دی ہے - لیکن مجھے یہ دیکھ کر دکھ ہوتا ہے کہ سرکار کی عادت ہو گئی ہے - کہ وہ چھوٹے چھوٹے ٹکڑے کرکے بل لاتی ہے - آج تمباکو گروورز اور تمباکو ورکرز کا جس طرح ایکسپلائٹیشن ہو رہا ہے - اس کو دیکھتے ہوئے ضرورت اس بات کی ہے کہ اس بارے میں ایک کمپری ہنسیو بل آئے -

میری سٹیٹ میں بھی تمباکو پیدا ہوتا ہے - آندھرا پردیش کے مقابلے میں تھوڑا سا - بہار میں بھی تمباکو پیدا ہوتا ہے - آپ کو معلوم ہے - کہ کس طرح تمباکو گروورز کا ایکسپلائیٹیشن ہوتا ہے - اور کس طرح ایکسائز والے ان کو پریشان کرتے ہیں - ایک طرف سرکار کی ایکسائز ڈیوٹی ماری جاتی ہے اور دوسری طرف تمباکو گروورز کو پورے دام نہیں ملتے ہیں - کیا سرکار نے اس طرف توجہ دی ہے - کہ کسانوں کو پورے دام ملنے کے لئے بورڈ کی ڈیوٹیز میں کوئی بات شامل کی گئی ہے - نہیں -

تمباکو کی پیداوار تب بہتر ہوگی جب تمباکو پیدا کرنے والے کسانوں اور تمباکو ورکرز کو راحت دی جائے گی اور انہیں سہولیت مہیا کی جائیگی سب

لیکن ان کا ریپریزنٹیٹو بورڈ میں کوئی نہیں ہوگا - بار بار سوال اٹھا رہے ہیں - دوسرے ملکوں سے مانگ آئی ہے - امریکہ اور کچھ دوسرے افریکن دیش تتھا کچھ اور دوسرے دیش ہندوستان کی بلی ہوئی بھڑی پسند کرتے ہیں - منگوانا چاہتے ہیں- لیکن ہمارے یہاں چونکہ بڑے مل مالکوں کو کوئی فائیدہ نہیں ہوگا - جو بڑے بڑے کارخانے چلاتے ہیں - اس لئے اس کی طرف توجہ نہیں دی جاتی تاکہ تمباکو سستا ملتا رہے- میں پوچھنا چاہتا ہوں تمباکو میں کام کرنے والے مزدوروں کے نمائیندے کو آپ نے اس میں کیوں نہیں رکھا -

مجھے دیکھ کر تعجب ہوا - آپ اچھی طرح سے جانتے ہیں ، کہ آج بھی فارن کنٹریز والے ، فارن انٹریسٹ والے تمباکو کے کارخانوں کے مالک ہیں؟ آج بھی ان کی سگریٹیں چل رہی ہیں ، اس بورڈ کے اندر یہ کیوں نہیں رکھا گیا ہے ، کہ ان کو نہ کہا جا سکے- میں کہونگا سرکار کو اعلان کرنا چاہئے - کہ سرکار ایسا انتظام کریگی کہ فارن انٹریسٹ رکھنے والے کسی نمائیندے کو اس بورڈ میں نہیں آنے دیا جائیگا - ورنہ یہ فارنر اسی طرح اس میں بیٹھے رہے تو شاید یہ انڈسٹری بھی کبھی ترقی نہیں کر پائیگی- اس لئے اس کی ضرورت ہے اور میں پھر زور دے کر

سے زیادہ تمباکو بھڑی بنانے والے استعمال کرتے ہیں - لیکن کیا بھڑی ورکرز کی حالت کو بہتر بنانے کے لئے اس بورڈ کے فرائض میں کوئی چیز رکھی گئی ہے -

جہاں تک اس بات کا تعلق ہے کہ اس بورڈ میں کون کون ہونگے - اس بل میں بتایا گیا ہے کہ اس میں پارلیمنٹ کے ممبر ہونگے -

شری نول کشور شرما : وہ ہی تو بھڑی والوں کے ریپریزنٹیٹو ہونگے -

شری اسحاق سنبھلی : اس میں بیڑی ورکرز نہیں- بیڑی فیکٹریوں کے اونرز ہونگے - جو مدھیہ پردیش میں سرکار بنانے کی کوشش کرتے ہیں - وہ بہت مظبوط لابی ہیں -

اس بورڈ میں ریسرچ سکالر ہونگے- ایکسپورٹرز کے ریپریزنٹیٹو ہونگے - اور میلوفیکچررز کے نمائیندے بھی ہونگے- لیکن اگر کوئی نہیں ہوگا ، تو ورکرز کا نمائیندہ کوئی نہیں ہوگا - اس طرح پر آخر تمباکو گروورز کے لئے کون بہتری کی جائیگی ؟ کس طرح سے تمباکو کا پراڈکشن کچھ بہتر بنایا جائیگا ؟ ان میں کام کرنے والے انسان 40 لاکھ ہیں -و ہندوستان میں صرف بھڑی بنانے میں لگے ہوئے ہیں - لاکھوں کی تعداد میں ہیں - جو سگار اور سگریٹ بنانے میں لگے ہوئے ہیں-

[شری اسحاق سنبھلی]

کہونگا کہ منسٹر صاحب اس کا اطمینان دلائیں کہ اس کا انتظام وہ کریںگے کہ ورکرز کے نمائندے اس میں آئیں - آخر انہوں نے کیا قصور کیا ہے - کہ دتی ، بورڈ میں ورکرز کے نمائندے ہونگے - دکانی ، بورڈ میں ورکرز کے نمائندے ہونے - صرف تمباکو بورڈ میں ہی ورکرز کے نمائندے نہیں ہونگے - اس لئے میری درخواست ہے تین چیزوں کے لئے - پہلی چیز پروڈیوسرز کے لئے - معقول اور واجب قیمت ملنی رہے - اس کا انتظام کیا جائے - بورڈ کو اختیار دیا جائے کہ وہ تمباکو خود خریدے - کم سے کم اس کی ہول سیل ٹریڈ کو سرکار کے اپنے قبضے میں لینا چاہئے - دوسرے ورکرز کی اس میں نمائندگی ہونی چاہئے - تیسرے جو اور ورکرز مختلف سیکشنز میں کام کرتے ہیں تمباکو کے ، ان کو بھی اس میں لینا چاہئے - تب تو اس بل کے لانے کا کوئی مقصد ہے ورنہ کوئی مقصد اس سے حل ہونے والا نہیں ہے -]

डा० कैलास (बम्बई दक्षिण) : उपाध्यक्ष महोदय, मै बधाई देना चाहता हू सरकार को कि वह आज इस सदन के सामने टुबैको बोर्ड बिल 1974 ले कर आई है । यह बिल आज कई वर्ष की मांग के बाद आ रहा है । तो बधाई तो सिर्फ इस बात की है कि देर आए दुरुस्त आए । जब बिल के स्टेटमट आफ आबजेक्ट्स को मैं ने पढ़ना शुरु किया तो मालूम हुआ, जो बातें मैंने दो तीन साल पहले सरकार के सामने रखी थी, सिर्फ यही नही बल्कि अलग अलग विधान सभाओ में सरकार की निगाह जिन बातों की तरफ खीची गई थी उस वक्त उन की समझ मे वह बात नही आ रही थी लेकिन अब उन्होने उस बात को समझा और यह बिल सामने आया है ।

इस मे कोई शक नही, तम्बाकू उद्योग देश के अदर एक ऐसा उद्योग बन रहा है जिस से देश का धन बढ रहा है, बेरोजगारी भी दूर हो रही है और काफी बडी रकम फारेन एक्सचेंज मे हमे इस मे मिलती है । इसलिए यह बोर्ड जब यहा बनाया जा रहा है तो जिस प्रकार मेरे पूर्व वक्ता सम्भली साहब ने कहा, उस में सट्रल गवर्नमेंट के नुमाइदे रखे हुए हैं मेम्बर पालियामेंट के नुमाइदे रखे हुए है टबैको के एक्सपोर्टर्स का नुमाइदा रखा हुआ है, टुबैको से जो चीजें बनती है सिगरेट या बीडी उन के बनाने वालो को भी रखा हुआ है तो क्या ही अच्छा होता अगर जैसा कि सभली साहब ने बताया, जो 40 लाख आदमी बीडी सिगरेट बनाने मे लगे हुए है उनके भी नुमाइदा को उस मे रखा जाता ।

मैं अगर बिल की अलग अलग क्लाजज की तरफ आप का ध्यान खीचू तो चैप्टर 2(4) के नीचे कान्स्टीट्यूशन आफ बोर्ड मे यह लिखा हुआ है :

"(d) two members to be appointed by the Central Government, by rotation in the alphabetical order, to represent the Governments of tobacco-growing States other than the States of Andhra Pradesh and Karnataka;"

यह एक अच्छा तरीका है अल्फाबेटिकल आर्डर में लेने का, लेकिन मैं यह चाहता था कि आंध्र प्रदेश और कर्नाटक के बाद जो भी ज्यादा से ज्यादा तम्बाकू उपजा रहे है उन को रखा जाता और उस मे मैं यह मानता हूं कि तीसरे नम्बर पर महाराष्ट्र आता है...

श्री डी० डी० देसाई (करा) नही नही, गुजरात ।

डा० कैलास : वह कल तक जो गुजरात स्टेट थी बम्बई उस में महाराष्ट्र और गुजरात दोनों साथ साथ थे। अब शायद जितना महाराष्ट्र मे होता है उतना ही या उससे कुछ ज्यादा गुजरात मे होता है। मेरा कहना यह है कि ऐसी स्टेट्स जो है उन को यह कह कर के कि तुम्हारा नम्बर जल्दी लगेगा अगर तुम ज्यादा उत्पादन करोगे उन्हे ज्यादा उत्पादन करने के लिए एक इंसेंटिव के रूप मे इस को रख सकते है बजाये इस के कि आप अल्फाबेटिकल आर्डर मे इन को ले। अब अल्फाबेटिकल आर्डर मे लेंगे तो आसाम में इतना तो नही होता लेकिन कुछ वह पैदा करते है, तो उन का नम्बर पहले लग जाता है न कि गुजरात या महाराष्ट्र का पहले लगेगा। तो मै और किसी भावना से नही कह रहा हूं, बल्कि मै यह बतलाना चाहता हू कि लोगों को ज्यादा उत्पादन करने की, देश का धन बढ़ाने की और ज्यादा एक्सपोर्ट कर के देश के लिए ज्यादा फारेन एक्सचेंज कमाने की दृष्टि से यह तरीका ज्यादा अच्छा रहेगा। ठीक इसी प्रकार इसमे लिखा हुआ है :

"(e) not more than eight members to be appointed by the Central Government from amongst growers of tobacco, dealers and exporters (including packers) of tobacco and tobacco products, manufacturers, of tobacco products and from amongst persons who, in the opinion of the Central Government, are experts in tobacco marketing or agricultural economics."

मैं ऐसा चाहता था कि अगर आप असेम्बली मेम्बर्स का भी उसमें ध्यान रखते तो ज्यादा अच्छा होता। क्योंकि आन दि स्पाट जो स्टेट्स के अदर असेम्बली में काम करने वाले लोग हैं उनका ज्यादा संबंध आता है उन काश्तकारों से। इसलिए शायद वह अच्छे नुमाइंदे बन सकेंगे। अगर आप उनको इस मे एंड्जस्ट न कर सके तो मैं आपका ध्यान चैप्टर 2 की तरफ खीचना चाहता हू जिसमें यह प्राविजन किया हुआ है :

"The Board shall have the power to co-opt as members of any committee appointed under sub-section (1) ..."

अगर बोर्ड के मेम्बर न होकर जो स्टेट कमेटीज बनाने जा रहे हैं उसमें भी अगर असेम्बली के मेम्बर को रखें तो भी अच्छा रहेगा। क्योंकि मैं हमेशा नामिनेशन के विरुद्ध हू। हमेशा अगर चुन कर व्यक्ति आता है तो वह अच्छा काम करता है। नामिनेशन की कई खराबिया भी है। मैं जिस आदमी को पसन्द करता हू शायद उस आदमी को रख दू लेकिन कोई अच्छा काम करने वाला आदमी है शायद मैं उसको पसन्द नही करता तो मै उसको न रखू। इसलिए एलेक्शन द्वारा या ऐसे व्यक्तियो को जो चुन कर आये हैं उनको रखें और सब-कमेटीज अगर हम रख सकें तो ज्यादा अच्छा होगा।

मैं ऐसा मानता हू कि वर्जीनिया टुबैको का एक बडा इतिहास है लेकिन अब जो फारेन मोनोपलिस्ट्स यहां पर आ गये है जो ब्रिटानिया नाम से पहले चलाया करते थे, टुबैको कम्पनी थी, आज वह इंडियन टुबैको कम्पनी के नाम से बडे लम्बे चौडे एकरेज में तम्बाकू उपजा रहे हैं, इस नाम से कि हम रिसर्च कर रहे हैं

[डा० कैलास]

और उसकी क्वालिटी बढ़ाने पर ध्यान दे रहे हैं, शायद उनसे सतर्क रहना पड़ेगा और ग्रोअर्स की तरफ से, फार्मर्स की तरफ से मुनाइन्दे चाहते हैं और एक्सपोर्ट करने वालों की तरफ से नुमाइंदे चाहते है तो उनसे हमें सतर्क रहना पड़ेगा।

एक बात और कहना चाहता हूं। मैं यह नहीं समझ पाया कि

"No person shall grow virginia tobacco except under, and in accordance with, the conditions of a certificate of registration"

यह सर्टिफिकेट आफ रजिस्ट्रेशन का क्या कानून आया है। कल हम गेहूं उपजायेंगे तो उसके लिये सर्टिफिकेट आफ रजिस्ट्रेशन चाहिए, चावल उपजायेंगे तो उसके लिये भी सर्टिफिकेट आफ रजिस्ट्रेशन चाहिए। मैं जानना चाहता हूं कि यह आपने किस हेतु शुरू किया है? आप एक्सपोर्टर्स का भी रजिस्ट्रेशन करने वाले हैं। मैं यह मानता हूं कि इसमें अपील का प्रावीजन है, लेकिन हमारे काश्तकार इतने अनुभवी नहीं हैं, वे इतने कानूनों को समझ नहीं सकेंगे कि समय पर एपलीकेशन दे। दूसरे लोग जो उनकी मदद के लिए आयेंगे या उनसे एप्लीकेशन दिलवाने का काम करेंगे वे उनको गलत रास्ते पर डाल सकते हैं। इस लिये मैं मंत्री महोदय से निवेदन करूंगा कि वे कृपा कर बतलायें कि ऐसा क्यों होने जा रहा है, रजिस्ट्रेशन से उनका क्या हेतु है?

आक्शन का तरीका बहुत दिनों से चला आ रहा है। एक रेगुलेटेड मार्केट होनी चाहिए—इस बात को मैं समझता हूं। लेकिन आक्शन का जो तरीका है कि प्लेटफार्म बना कर उस पर आक्शन करेंगे, इसमें पांच-सात आदमी मिल कर कम दामों पर माल को कार्नर करने का काम कर सकते हैं। इस लिये हमें इस पद्धति के बारे में सोचना चाहिए, इसको बदल सकें तो अच्छा होगा।

उपाध्यक्ष महोदय, आप ने घंटी बजा दी है, मैं अभी दो तीन बातें और कहना चाहता था, लेकिन चूंकि समय कम है, इस लिये बैठ जाता हूं।

*SHRI J. MATHA GOWDER (Nilgiris) Mr. Deputy Speaker, Sir, on behalf of the Dravida Munnetra Kazhagam, I rise to say a few words on The Tobacco Board Bill. I wholeheartedly support this Bill which seeks to constitute a Board for the development of the tobacco industry.

I have no hesitation in saying that such a Board is very necessary because over 50 per cent of the Virginia tobacco produced is exported and India is the second largest exporter of virginia tobacco in the world. But, I would like to take this opportunity to say that the Tobacco Board should not become another Board in the chain of institutions which have been sent up for the development of particular commodities, for example, the Tea Board, the Coffee Board, the Jute Corporation, the Cotton Corporation etc. Though it may not be quite relevant to the Bill under discussion, yet I would like to refer to a particular incident because of my anxiety that the Tobacco Board should not also face such a contingency. Sir, you may remember that the hon Minister of Parliamentary Affairs, Shri Raghuramaiah, and the hon Minister of Commerce, Shri Chattopadhyay, had to go in a delegation to the Finance Minister for the purpose of requesting him to allocate adequate funds to the Cotton Corporation which would enable it to procure stagnating cotton in the country with a view to giving some price stability to cotton. Is it not really strange that a ministerial delegation should supplicate to the Finance Minister for the allocation of more funds to a public sector undertaking? I have referred to this because of my desire that the Tobacco

*The original speech was delivered in Tamil.

Board should not also be placed in such a financial precipice.

Sir, I would also refer to the fact that the Tea Board located at Calcutta has not been able to help the small growers of tea in Nilgiris in Tamil Nadu and also in Kerala. I have been demanding that a Small Growers Cell should be located in Coimbatore so that the needs of the small growers of tea in Nilgiris and also in Kerala can be met expeditiously. I have also written to the Commerce Minister in this respect. I am referring to this because I want to stress that the Tobacco Board should pay adequate attention to the problems of small growers.

I am happy that the Tobacco Board would be located in Andhra Pradesh. Though the headquarters is located in Andhra Pradesh, the Tobacco Board should establish Small Growers Cells in the States producing Tobacco so that the essential needs of the small growers can be met in time and adequately.

As has been pointed out by the hon. Members who proceded me, I would like to urge upon the Government that the Tobacco Board should truly be a representative body of all interests. It should not confine its representation to the Ministers and bureaucrats. While growers of tobacco, dealers and exporters of tobacco products, manufacturers of tobacco products are being given representation on the Board, I would like to stress the need for giving representation to the Co-operatives of Small Growers of Tobacco and also to the Workers in the industry. There are lakhs and lakhs of workers engaged in Cigar and Biedi industry. It is essential that they also get representation on the Board. Tamil Nadu occupies third place in the production of tobacco. I would like to emphasise the need for giving permanent representation to Tamil Nadu on the Board and not rational representation in alphabetical order.

Before I conclude, I would refer to another important issue. I understand that a major portion of Virgina Tobacco production in the country is exported to Russia. Backed by the patronage of a certain political party and also encouraged by a particular section of the Press devoted to Russia, a few people in the export trade have got near-monopoly position in the export of Virginia tobacco to Russia. I would like to appeal to the hon. Minister that the entire export of Virginia tobacco to Russia—for that matter not only the export of tobacco to Russia but also the export of tobacco to other countries also—should be taken over by the Government; it should not be allowed to continue in the hands of private promoters of export of tobacco.

In conclusion, I would end by repeating that the Tobacco Board must be representatives of all interests in tobacco industry including co-operatives of small growers of tobacco, workers in the industry of cigar and beedi, and that the export trade in tobacco should be taken over by the Government.

SHRI K. GOPAL (Karur): I rise to support this Bill. For a long time there has been a demand for this, both inside and outside and Mr. Raghu Ramaiah when he was a Member advocated strongly the formation of this Board. As early as 1972 it was assured that the Tobacco Board would come into being. I am glad that a Bill had come at last. We are in our country growing tobacco in more 400,000 hectares and the yield is about 350 million kg; one-third of it is virginia tobacco. More than 55 million kg is exported. We rank sixth in the world In 1968-69 our export was worth Rs 33 crores and it is around Rs. 58 crores now. It has got excellent export potential, given proper encouragement.

The plight of the small farmer who grows tobacco is such that he is completely at the mercy of the trader Today the small farmer does not know grading and whatever the trader says, the smaller farmer has to accept which means that the price is also dictated

[Shri K. Gopal]

by him. Big firms hold these small farmers to ransom. I am glad that a board has been formed and even though it has not been specifically stated that it will held the small farmer I am sure that the board will be of great help. Inputs are a great problem for the small farmer. He cannot get credit from any source. So he goes to the trader for money on credit and promises to supply the produce But he does not pay him immediately all the money; he holds back certain money. Tobacco is a product which cannot be kept for more than a month and so the farmer has to sell it at whatever price That is why many farmers are switching over to other comodities such as cotton. I hope that the formation of the tobacco board will help to look into these matters.

Clause 4 refers to the composition of the Board It does not refer to the interests of small farmers Even in the Coffee Board you have got representation for a small planter. It says here that eight members will be appointed by the Central Government I am sure that no small farmer is going to get it because the lobby is so powerful and it will never allow the small farmer Much has been said about the representation of workers I do not understand why representation for the worker is not given. The hon Minister may say that in the organised sector there were only 15,000 workers. In the bidi industry twenty lakhs of people are having direct employment. More than 40 lakhs of people are employed and they are all tobacco workers and they do not have representation.

SHRIMATI T LAKSHMIKANTHAMMA: Most of these workers are women.

SHRI K. GOPAL: I wish women are not given representation; it is a question of arguing the cause of tobacco effectively. In Coffee Board you have got representation for consumer. Why not do the same thing in the Tobacco Board also? A person like Piloo Mody will give certainly useful suggestions to the Tobacco Board.

Representation to different States had been given. Andhra Pradesh, Karnataka, etc. are given. Gujarat grows more than 100,000 tonnes a year but it is not represented. Is it the intention of the Government that only those States which grow virginia tobacco should be represented? Whether it is virginia or any other variety, tobacco has got excellent export potential Tamilnadu is not represented I am not saying that all States should be represented because it is impossible. But where you have got the potential, you should include that State Cigars produced from tobacco from our State is supposed to be the best in the world and given proper encouragement you have got good potential for export

MR DEPUTY-SPEAKER I would not know it.

SHRI K. GOPAL Apart from Gujarat, Tamilnadu should also be included. Amendment No. 17 of Shri Madhu Limaye reads;

for lines 12 to 17, substitute—

"(e) not more than ten members to be appointed by the Central Government, including two each from amongst tobacco growers, tobacco dealer—exporters and manufacturers of cigarettes, provided that none of them is an employee past or present or a representative of any company having majority foreign shareholding."

MR. DEPUTY SPEAKER: That has not been moved,

SHRI K. GOPAL: Just because a man is a past or a present employee of a company which has got a majority foreign share holding, should it be a disqualification? For example, I am affected personally because I am a past employee of such a company. If a man is an employee of a foreign company, that does not mean that he is a stooge of a foreign country. Mr.

Jyotirmoy Bosu was an employee of a foreign company, that does not mean that he is a stooge of a foreign country.

MR. DEPUTY-SPEAKER. Have you got any personal interest in this?

SHRI K GOPAL Fortunately not It is a matter of principle

If he had said that foreigners should not be included I can agree, but just because they are employees why should they not be entitled? There is nothing wrong in taking advantage of their knowledge and experience

The board should have demonstration farms as they do not exist now in the country except in the case of some private companies. Exports cannot be canalised through the Board and exports should not be an exclusive function of the Board, but they should find out from other countries what is being done and they should not leave it to private agencies It is rather a half-hearted thing that the board is going to take up.

SHRI D. D DESAI (Kaira) I congratulate the Government on bringing this Bill which has special sentimental and even historical connection with my family It was centuries back that my forefathers brought the tobacco plant to Gujarat in sailing boat, and that plant has been one of the important sources of income in this country

Going through the Bill I find that Gujarat is nearly unrepresented Andhra Pradesh produces about 175 thousand tonnes of tobacco, Gujarat produces 116 thousand tonnes, and Karnatka, which is represented, produces about 16 thousand tonnes Gujarat produces over 7 times the production of Karnataka, but still it is not represented. This is unusual. Though in the Bill the Government has mainly covered virginia it has also introduced terms and conditions which cover other types of tobacco. Gujarat is essentially producing bidi tobacco and also virginia, but I would say that it is one of the largest revenue earners for the Government of India through excise and this fact is known to the Central Government. On only 20 per cent of the country's land, Gujarat is producing nearly one third of the tobacco of the country. So the productivity of Gujarat far exceeds the general productivity of the whole country So I would suggest that the Bill may be amended to include a permanent representative of the State of Gujarat on the Board.

Except for Andhra Pradesh and Gujarat, the rest of the States are hardly producing 6,000 to 16,000 tonnes except for Tamil Nadu which produces 17,000 tonnes I am surprised to see that there is not a single State which produces even 20,000 tonnes That shows that the Government is completely unaware from where the revenues come and what they should do It was my request during the 1971 and 1972 debates that a Tobacco Board should be established This Board should not only have a centre in Andhra Pradesh, it should also have a satellite centre in Gujarat This is a most essential requirement My family had in the last century established centre on a big piece of land and given money for tobacco research and party because of the research which had been carried on with the help of my grandfather, tobacco as Commercial Crop still exists This establishment can be taken over by the Government.

MR. DEPUTY-SPEAKER We have to finish before 3 30 This is a long Bill and clause-by-clause consideration will take time

SHRI D D. DESAI If you like I can provide the statement of figures given in reply to Question No 9387 in May, 1973 I have got here the statistics of the Government of Gujarat for 1974 which shows that 20 per cent of the land produced during 72/73 year over 30 per cent of the tobacco grown in the country.

MR. DEPUTY-SPEAKER: I think a very strong case has been made out for Gujarat.

SHRI D. D DESAI: To eliminate Gujarat altogether is a serious thing.

MR. DEPUTY-SPEAKER: You have made that point.

SHRI D. D. DESAI: So far as the finances are concerned, we are contributing heavily to excise, but looking at the amounts given by the Central Government for tobacco development we find that Andhra Pradesh has got Rs. 59 crores and Mysore Rs. 24 crores but Gujarat has been given only Rs. 8 crores. This is something which is not proper Gujarat provides some 100 crores rupees by way of tobacco excise to the Central Government and inspite of that why is it given this meagre amount and eliminated altogether from the Board? The revenue from the other States is negligible.

The financial provision would not be sufficient for carrying on research and marketing activity. My hon. friend Shri Gopal raised the issue that tobacco farmers are presently suffering acute distress. The reason is that their crops are not bought by any regular public agency. Unfortunately the traders take them away and then pay for them at times after a couple of years. This sort of thing is going on. So a corporation for tobacco may be established as in the case of cotton.

Again I would like this body to come under the Ministry of Agriculture because after all it is the Ministry of Agriculture which has the interests of the farmers and growers at heart.

MR. DEPUTY-SPEAKER: In that case he should withdraw the Bill and the Minister of Agriculture should come forward with another.

SHRI D. D DESAI: Often the Commerce Ministry's interests conflict with the farmers' interests. We have seen that in the case of cotton where the Commerce Ministry is totally against the interests of the growers. We cannot allow that in the case of tobacco also.

SHRI NOORUL HUDA (Cachar): It is good that after a long time the Central Government has come out with this Bill because it is well known and there was a report in the press also that Indian tobacco earned a foreign exchange of Rs. 51 crores during seven months in 1974 and the quantity of tobacco exported amounted to about 53,000 tonnes.

We also know that UK and Russia are the two biggest buyers of Indian tobacco. In spite of all these, the Bill has come up with a very laudable statement of objects and reasons But we would say that there should be parity between precept and what they actually implement in the future years to come I am saying this because of our bitter experience of the working of all these boards.

Now I want to highlight some of the points in the Bill Coming to clause 4, which relates to the constitution of the Board, it says that "the Board shall consist of the following members, namely, (a) a Chairman to be appointed by the Central Government ." A colleague of ours has given an amendment to which I want to draw the attention of the Government. He has suggested that a non-official MP should be appointed by the Central Government as the Chairman of the Board. He has further suggested that instead of four Members of Parliament, there should be six Members of Parliament of whom four shall be elected by the House of the People and two by the Council of States.

Similarly, there is another amendment which suggests that there should be eight members to be appointed by the Central Government from among the following: one agronomist, one representative of the State Trading Corporation, one economist specialised in international trade, one industrial economist specialised in tobacco, if available, two representatives of workers and two representatives of kisans and peasants' organisations in the tobacco growing areas. Many hon.

Members have raised this point that the Bill does not provide for any workers' representative or the growers' representative. That is why it is specifically mentioned that there should be two representatives each of the workers and the kisans and peasants.

There is another amendment that there should be a Consultative Committee consisting of not more than 12 members to be appointed by the Central Government from amongst the consumers, growers of tobacco, dealers, exporters, packers of tobacco and tobacco products, manufacturers of tobacco products and from among persons who, in the opinion of the Central Government, are experts in tobacco marketing.

Uptill now the production of Indian tobacco is under the grip of three monopolist companies, namely, India Tobacco Limited, Vazir Sultan Company and Godfrey Philips India Limited. Last year, the then Industrial Development Minister, who is now the Finance Minister, Shri Subramaniam, had promised that these three companies would be Indianised. We do not know what he meant by "Indianisation of these companies". What we want is that these three companies should be nationalised. Because, in 1972-73 as much as Rs. 2.27 crores was repatriated by these foreign companies to their respective countries and in 1973-74 it amounted to about Rs. 1.43 crores. That is the Indian Tobacco Company figure. The Godfrey Philip India Ltd. remitted an amount of Rs. 12 lakhs in 1973-74. Naturally, we would like the Government to take note of the huge amount of remittance of Indian money to foreign countries by the foreign companies. We also demand nationalisation of these three tobacco companies which are dealing in tobacco in India.

15.00 hrs.

Lastly I would like to draw the attention of the Government to the sad plight of about 30-40 lakhs—we do not know the actual figures—bidi and cigarette workers all over the country. These 30-40 lakhs of bidi and cigarette workers are not organised. I think a majority of them are in an unorganised sector. In 1966, there was an Act, the Bidi and Cigarette Workers Act of 1966 which, unfortunately, has not been implemented by the different States of our country except in Karnataka and Kerala. In Kerala and Karnataka, the employers are supposed to enter an agreement with the workers granting benefits to them arising out of the good features of the Act. But in other States, uptill now, though 8-9 years have elapsed, no State Government has come to any agreement with the workers. The result is that the workers have been ruthlessly exploited. The working and living conditions are scandalous, barbarous and medieval. They are paid extremely low wages and their wages are fixed arbitrarily. There are different rates of wages in different States. The contractors and middlemen have been looting the workers and employees in the tobacco industry all over the country. There is no guarantee of work. There are no equal wages for men and women. There is no bonus for the employees in the tobacco industry. There is an extremely medieval form of child labour. That is why these employers have been escaping clauses which are favourable to the workers and employees of bidi and cigarette industry.

Therefore, welcoming the good features of the Tobacco Board Bill, I would remind the Government that much has yet to be achieved by the Government and, specially, the bidi and cigarette industry workers which number about 30-40 lakhs should be taken care of, the ruthless exploitation of child labour and of men and women workers should be put a stop to, the huge loot by the foreign tobacco companies should be put a stop to and the good features of the Tobacco Board Bill should be implemented as early as possible.

SHRI B. V. NAIK (Kanara): Mr. Deputy-Speaker, Sir, I welcome the Bill. I am glad that because we grow a substantial quantity of fine quality tobacco, we have been given a representation on the Board of Directors.

This is one of the Boards like other Boards, the Coffee Board, the Cardamom Board, the Tea Board, etc. The ex-Chairman of the National Shipping Board is here, Mr. P. Rama Rao Of course, that is under a different Ministry. What I have found is this. The bureaucrats whom you nominate—I think, Mr. P. Rama Rao, our esteemed colleague will bear me out,—do they take interest in the functioning of the Board? Why do we go on the basis of the old grooves Can we not make a sort of Board which is composed of experts, of growers, of bidi workers, of the people who have a stake in this particular trade, in this particular business? Instead, you have put these people Of course, we have no complaints against them But they are plainly not interested, they are there because they are in your Ministry, in the Ministry of Industrial Development or in the Ministry concerned, but they will not be taking any interest. We are not calling for a total revolution Let us have at least revolution by instalments, changes from time to time in the *modus operandi* of the Government of India.

My second point is this. In the case of another Board which is functioning under the hon. Minister, the Cardamom Board, even a small grower—if in an area of two acres he has something like ten plants—has to take a licence; for ten plants; he has to run to the branch office of the Cardamom Board in order to get a licence and pay a fee of Rs. 50 in addition to the charges of going and coming back which might come to Rs. 150. I would urge on the hon. Minister to exempt these small growers. I would request him to exempt the tobacco growers having smaller than one acre. Particularly in the West Godavari district of Andhra Pradesh, there are big growers. But I am talking of small growers Those growers who have below one acre or even 20 *gunthas* at least should be exempted.

Since you have rung the bell, I have nothing more to add, though there are many other points which I would like to make.

MR DEPUTY-SPEAKER: You have made very good points

Mr. Chapalendu Bhattacharyya

SHRI CHAPALENDU BHATTACHARYYIA (Giridih) Mr Deputy-Speaker, Sir, I would like to bring to the notice of the hon. Minister through you a point of some importance We are discussing the systematic, integrated approach to the development of the tobacco industry, its export and its manufacture So far, it has suffered from absence of any coordination at any level Therefore, if only co-ordination could be introduced by this Tobacco Board Bill, it is to be welcomed from all sections of the House.

Coming down to figures, it is quite clear that Andhra Pradesh has been one of the largest tobacco-producing areas, but after the construction of the Nagarjunasagar Dam, with the water level rising I am afraid, the best virginia tobacco areas from Andhra Pradesh will slowly shift towards Karnataka. Another break-through has been achieved by the Indian Council of Agricultural Research, that is, they have been able to grow the lowest nicotine-content virginia tobacco in the world. In Bishungarh, in my old district of Hazaribagh, the ICAR is running some experimental station. But unfortunately it has been starved of funds. When I say the lowest nicotine content virginia tobacco in the world, it holds out a lot

of significance for the backward region from which I come. It will be a top-money-spinner. Our exports are going up. It is very heartening. But we could do very much more. I have a letter from Mr. Gopalachary of the Central Tobacco Research Station that they got a 'princely allotment' of Rs. 50,000 for pushing through this research. When we have to achieve a breakthrough in growing the lowest nicotine content virgina tobacco in the world, I think, a much greater effort is called for because even from the point of cost effectiveness, it will pay many times over.

I will not go into the constitution of the Board and so on. I will not repeat the points that have already been made by the previous speakers. The tobacco industry is a part of the world monopolist organization and, while consolidating our base, if necessary, we should temporise rather than rush into a certain revolution by instalments as suggested by an hon. Member because it may upset the precarious balance in the tobacco industry and trade.

SHRI P. ANKINEEDU PRASADA RAO (Ongole): While supporting the Bill, I congratulate the Government for bringing forward this Bill and contemplating the setting up of a Tobacco Board which was a long-cherished desire of the people, especially of Andhra Pradesh.

I also congratulate the Government for contemplating to location the headquarters of the Board in Andhra Pradesh, especially in Guntur, for this Tobacco Board is entrusted with the responsibility of regulation and production of Virginia tobacco and 90 per cent of the Virginia tobacco is grown in Andhra Pradesh and especially within 100 miles around Guntur. As most of this tobacco is grown in Guntur and nearabout and marketed from there, I congratulate contemplating to have the headquarters at Guntur.

About tobacco there is a long history. I say this is the only crop which is neglected until now by the Agriculture Department. Though this crop is earning as nearly Rs. 50 crores of foreign exchange every year and double that amount by way of excise duty, till now nothing has been done on the research side and for increasing the productivity. If we go into the figures of the last 4-5 years, the area that is transplanted in the country and the quantity produced is gradually going down. Though the figures of exports may show a constant trend, that is due to the rise in the international price, but actually the production is going down and the farmer is not evincing any enthusiasm and he is switching over to other crops by which not only we will have lesser production of tobacco but we will also lose valuable foreign exchange. And if this trend continues, I am afraid, the day is not far off when we may have to import tobacco. This year if you go into the figures of the Agriculture Department, nearly 20 per cent of the acreage under tobacco has gone down. Certainly, this is going to have an effect on our export earnings from tobacco. So, I would suggest that the Tobacco Board should not alone be content with controlling the price level but should give positive support to the agriculturist to take to and increase the tobacco cultivation and thereby we may earn more foreign exchange. I would also suggest that more funds should be provided for research.

Before concluding I would like to make one or two points. About the constitution of the Board, it will have 8 members from growers, packers and traders. I request the Minister to keep in mind to have more number of growers than packers and traders. The other thing is that the Board is

[Shri P. Ankineedu Prasada Rao]

contemplating going into the market only when a crisis develops. I request the Government that the Board should play a positive role in increasing the production and also in ensuring a fair price to the grower. In this trade a lot of people are making quite a good amount of money by way of export trade. They call themselves as manufacturers of tobacco. But, tobacco, in the real sense, is manufactured at the level of the agriculturist and not by the so-called manufacturers of tobacco who only process the tobacco. They corner the largest chunk of the profits of the trade and do not pass on a paise to the agriculturist and I would suggest that the Board should take over completely this trade of tobacco exports. They should also see that part of the profits are passed on to the agriculturists. This is my submission. I thank you for giving me this opportunity to speak.

SHRI P. VENKATASUBBAIAH (Nandyal): I compliment Government for having thought it fit to bring this legislation after a long time. I pay my compliment to the Minister of Parliamentary Affairs Shri Raghu Ramaiah who has worked hard to bring forward this Bill. There are two points which I wish to bring to the notice of the Government. Point Number one is this. This Tobacco Board is intended to protect the interest of the small growers and also to regulate the market and to provide them with better price and export market facilities and also for having best varieties to be grown. I would only caution the Minister as several other Members have done, that there should not be too much of bureaucratisation of this Board. It must be able to involve the people who have got real stake in the matter. It should not become another sereotyped sort of Board which does nothing except spending some money. Necessary facilities should be given and amount provided for agricultural research and it should be seen that the per acre productivity is increased. We see that the Virginia tobacco production is shifting slowly from Guntur district and it is being done in Rayalaseema districts and Mysore also. I would request the Minister that he should see that in the composition of the Board due representation should be given to all the States where there is great potential of growing this tobacco. I welcome this Bill. It should be seen that this Tobacco Board gives due and remunerative price to the growers, especially, the small-growers.

श्री रामकंवर (टोंक) : उपाध्यक्ष महोदय, सरकार द्वारा जो तम्बाकू बोर्ड का विधेयक लाया गया है, मैं उसका समर्थन करता हूं। लेकिन मेरा निवेदन यह है कि विधेयक तो बहुत अच्छे लाये जाते हैं, लेकिन उनको कार्यान्वित करने, और उनको सुचारु रूप से चलाने, मे सरकार असमर्थ रहती है। मैं इस सम्बन्ध में एक उदाहरण देना चाहता हूं। मैं ने आन्ध्र प्रदेश और केरल वगैरह के चाय बागान देखे हैं। पहले उन बागान से लाखों रुपये पैदा होते थे, लेकिन अब वे बिल्कुल उजड़ गये हैं और उनकी बहुत बुरी दशा है।

इस लिए मेरा निवेदन है कि यह जो बोर्ड बनाया जा रहा है, उसमें ज्यादा अफसर और नौकरशाही के लोग नहीं होने चाहिए। जो लोग तम्बाकू को उगाते हैं, उनको बोर्ड में ज्यादा प्रतिनिधित्व मिलना चाहिए, यह मेरी मांग है।

राजस्थान में कोटा आदि में भी तम्बाकू की पैदावार अच्छी होती है। इसलिए राजस्थान में तम्बाकू के बागान को प्रोत्साहन देना चाहिए। मैं तम्बाकू बिल्कुल इस्तेमाल नहीं करता हूं और सिगरेट बीड़ी नहीं पीता हूं।

लेकिन मैंने हिन्दुस्तान में काफी महिलाओं को देखा है, जो तम्बाकू और बीड़ी-सिगरेट का इस्तेमाल करती है।

मैं मांग करता हूं कि राजस्थान में इस उद्योग को ज्यादा से ज्यादा बढ़ावा दिया जाये और वहां तम्बाकू का उत्पादन बढ़ाया जाये। इसमें और ज्यादा फायदा होगा। हम इसमें व्यक्तिगत मदद देने के लिए तैयार हैं।

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI VISHWANATH PRATAP SINGH): Mr. Deputy-Speaker, Sir, the hon. Member, Shri Naik spoke of revolution by instalments. That revolution may not come in instalments, but this Bill has come in instalments! Perhaps, everything connected with tobacco including this Bill should come in leisure so that we may enjoy slowly.

I would first take the suggestion of the hon. Member, Shri Noorul Huda. Perhaps he has been briefed by his friend, Shri Bosu because it was his amendment which he has put forward namely, that an M.P. should be the Chairman of the Board. I may say that if Shri Bosu is made the Chairman, the Board may benefit But, I am also sure that the work of the House will suffer—at least the zero hour will really be reduced to zero! Our work output will be proportionately increased.

Sir, one of the queries that has been made by the hon. Members was about the representation of their States Andhra and Karnataka have been given permanent representation on the Board, other States also will be given representation in the alphabetical order. Andhra, as many hon. Members have said, because of its importance as a major flue cured virginia tobacco growing State is first to be represented on the Board. Flue cured virginia contributes 90 per cent of the export earnings and 95 per cent of the virginia tobacco is grown only in Andhra Pradesh. In Karnataka, though, at present, the production may not be so high, yet it is the State of the future. The quality of tobacco depends on the nicotine content and nicotine content of tobacco depends upon the soil where it is grown—for lesser nicotine the soil should be lighter. Since in Karnataka, the tobacco has lesser nicotine content, it has more prospects. The Agriculture Ministry has already started a Centre for increasing the production of tobacco. It may be, the rationale alphabetical order may not be sustained, but sometimes, we find rationality even in irrationality!

If we look at the alphabetical sequence, the two States which would be included immediately are Gujarat and Bihar. Gujarat's complaint is that they have not been included. In the first round, it will be included (*Interruptions.*)

SHRI D. D. DESAI: Gujarat comes second in the list. It is the next largest producer of tobacco. Karnataka produces hardly 14 per cent of Gujarat but still he has put it.

MR. DEPUTY-SPEAKER: He has agreed to the proposal.

SHRI D. D. DESAI: I would say that he should include it.

MR. DEPUTY-SPEAKER: He has said so.

SHRI D. D. DESAI: It is not proper. You cannot satisfy Gujarat. You include Gujarat as a mere eyewash.

SHRI VISHWANATH PRATAP SINGH: As I said, two representatives would be on the Board by rotation according to alphabetical order. Gujarat will come in first round. (*Interruptions*).

SHRI D. D. DESAI: My objection is that it should not be at the expense of Karnataka.

SHRI NATWARLAL PATEL (Mehsana): You give representation to Gujarat because there tobacco grow-

[Natwar Lal Patel]

ing is more as compared to Karnataka. (*Interruptions.*)

MR. DEPUTY-SPEAKER: In all thise confusion, I am the happiest person because I am a non-smoker.

SHRI D. D. DESAI: Let us have the assurance that you will consider the case of Gujarat.

MR. DEPUTY-SPEAKER: He has already said so You have made the point and also put great force in that.

(*Interruptions*)

SHRI VISHWANATH PRATAP SINGH: Sir, perhaps the nicotine content is increasing the blood pressure but we have very coolly and calmly considered this matter. On account of the importance of virgina tobacco which is the main export earning item Karnataka and Andhra were given priority but Gujarat also is coming in the Board in the very first round. Sir, concern has been expressed about the other varieties that these might be neglected—Mr. Daschowdhury made this point—in this connection I want to draw the attention of the hon. Member to Clause 8(1) which reads:

> "It shall be the duty of the Board to promote, by such measures as it thinks fit, the development under the control of the Central Government of the tobacco industry."

(2) Without prejudice to the generality of the provisions of sub-section (1), ..."

Thus, all tobacco is covered by the Bill and all interests will be taken care of. For other tobacco, reference has been made in Clause 8(3) also. While we have concern for every variety of tobacco—when I say every variety it means every variety—sometimes quality has to be given preference and for this reason virginia has been mentioned as a matter of priority.

SHRI D. D. DESAI: Sir, for Gujarat, I made two requests. One regarding representation and the other regarding satellite R. & D. Marketing Centre. We have requested, not by begging, but by right as we produce and contributes heavily by way of excise to the Central exchequer.

SHRI P. G. MAVALANKAR (Ahmedabad): The question is, whether Gujarat will be there permanently on the Board. That is the point. What is Gujarat's status in the Board? (*Interruptions*).

SHRI VISHWANATH PRATAP SINGH): I will try, to the best of my ability, to answer the points raised by the hon Members If we convert this into a question hour, I do not think we will end with the debate.

Sir, Members have expressed concern about the representation of growers, consumers and workers on the Board A point was made by hon. Members, Mr. Gopal, Mr Sambhali, Dr. Kailas and Mr. Desai, about this. Growers, in the tobacco industry, unlike that in the rubber, coffee or tea industry, by and large, are small growers who own small farms. If you step into other plantations, owners, of different large companies are there. By and large, this is the position in the tobacco industry. In regard to the representation of growers, we have not specified the minimum number. Sometimes, when we fix the minimum number, this minimum number usually operates as the maximum number. If you say that there shall be al least two members, then, possibly there would be no more than that. In the Bill, there is a flexibility so that various interests are represented according to the situation. There can even be more growers than what the people might be envisaging. Then, the rules will be framed and they will be placed before the Parliament. Hon. Members will be on the Board and I am sure they will represent the interests of the various sections like workers, consumers and growers.

Sir, some concern has been expressed that the big monopoly houses or the big tobacco firms will monopolise this Board. But, if the thrust of the Bill is seen, all these doubts will be dispelled. At present, it is true that the big tobacco companies exploit the market situation. When a grower goes to the platforms of these companies like Indian Leaf Tobacco Development Company or the British India Tobacco Company or the Nav Bharat Tobacco Company, he has to have issued excise permit at his own risk. If at these platforms, these big firms refuse to make purchases, then, the grower has no option but to go back and obtain a fresh excise permit. This is the situation, and they exploit it In this Bill, when we provide for auction platforms under the supervision of the Board, we are going to directly hit the monopoly buyers With this thrust of the Bill and with this intention of the Government, all these doubts that the big houses will monopolise the Board and so on, will be dispelled Further, every bit of wisdom need not be enshrined in law through a statutory pronouncement This much judgement should be left to the Government to take care of the various interests.

About consumers' interests, I am sure, majority of the Members of the Board will be consumers of tobacco and that they will be ...(*Interruptions*).

SHRI K GOPAL (Karur): In the Coffee Board, there are representatives of consumers.

SHRI B. K. DASCHOWDHURY: The facilities that are given in the form of subsidies and others should be extended to West Bengal and Assam. (*Interruptions*).

SHRI VISHWANATH PRATAP SINGH: I am coming to that. If I have to answer all the questions simultaneously, (*Interruption*). I am coming to every clause and every point that has been raised. My inability is that I cannot frame one single sentence in which I can answer all the questions.

Sir, hon. Members Mr. Gopal, Mr. Sambhali and Mr. Huda made the point about the workers' representation on the Board. Sir, Mr. Huda said that the biri workers though they constitute a large part of the labour force, are not organised.

It is a sad thing that such a vast labour force still remains unorganised. Just by picking up a worker because he is a worker and putting him there, does not mean that he becomes a representative of the workers This is so because there is no organisational backing. A worker becomes a representative when there is organisational backing In fact, there is a separate Biri and Cigar Workers Act of 1966 which takes care of the wages and other conditions of work of the biri workers. The organised sector among tobacco workers is only in the cigarette trade. The workers employed there are 14,000—20 000, a small number. But if the organisational base of workers is there and a worker of a representative character could be taken, that would be considered.

SHRI ISHAQUE SAMBHALI: *Biri* workers number 40 lakhs.

SHRI VISHWANATH PRATAP SINGH About Shri Huda's suggestion for Kisans' representation and of increasing MPs' representation, this will be taken care of. About kisan representation, if there is an organised body of growers, we would certainly look into it and prefer that.

A point was made by Shri Rama Rao about grading being made at the growers' level. It is a very good suggestion because if grading is done at growers' level, the quality will be improved. But I think we should rely more on educating the growers rather than making a statutory provision which may be harrassing to them.

[Shri Vishwanath Pratap Singh]

The other point made was about monopoly houses in the cigarette industry. The cigarette industry is notified in the Industries (Development and Regulation) Act, Schedule one. The MRTP Act and the Foreign Exchange Regulation Act are fully enforced, and if there is any violation of it, the Board will fully cooperate with the authorities because that is our policy.

SHRI P. VENKATASUBBAIAH: Is it not in force now? What is the new thing you are saying?

SHRI VISHWANATH PRATAP SINGH: That is what I am saying. The Board will co-operate with the law.

SHRI K. S. CHAVDA (Patan): That means the equity of foreigners will be reduced to 40 per cent?

SHRI VISHWANATH PRATAP SINGH: I do not think I have to deal with elementary matters; these problems are taken care of the MRTP Act and the Foreign Exchange Regulation Act.

SHRI K. S. CHAVDA: They are making huge profits.

SHRI VISHWANATH PRATAP SINGH: This is not the forum where these problems can be sorted out. There are separate Acts dealing with them. The essence of the Bill is that tobacco is an agro-product and we are dealing with it under this Bill as such. The other aspects can be dealt with under relevant sections of other legislation. With theses remarks, I commend the Bill.

MR. DEPUTY-SPEAKER: The question is:

"That the Bill to provide for the development under the control of the Union of the tobacco industry, be taken into consideration".

The motion was adopted.

MR. DEPUTY-SPEAKER: We shall take up clause by clause consideration on the next occasion. (*Interruptions*)— What do we do?

PROF. MADHU DANDAVATE (Rajapur): On a point of order.

MR. DEPUTY-SPEAKER: What is the point of order?

SHRI K. RAGHURAMAIAH: No point of order. He is not raising it.

MR. DEPUTY-SPEAKER: We have crossed the time limit for private Members' business by ten minutes. I thought we should take up this on the next occasion but unfortunately I do not find Shri Shyamnandan Mishra here.

SHRI K. RAGHURAMAIAH: I have told him that it will be taken up a little later.

MR. DEPUTY-SPEAKER: I have no objection if the House agrees.

SHRI K. RAGHURAMAIAH: The House agrees.... (*Interruptions*).

MR. DEPUTY-SPEAKER. I do not not understand what has happened to the hon. Members. They will not even allow me to say what I want to say to regulate the business. I am saying that if it is the desire of the House to go through with this Bill, let us go thropgh with it. We take up clause by clause consideration. There is an amendment to clause 2 by Shri Jyotirmoy Bosu. He is not here. The question is:

"That clause 2 stand part of the Bill."

The motion was adopted.

Clause 2 was added to the Bill.

Clause 3 was added to the Bill.

MR. DEPUTY-SPEAKER: There are a number of amendments to the other clauses.

SHRI PATTABHI RAMA RAO. I am not moving my amendments.

MR. DEPUTY-SPEAKER: The others who have tabled amendments are not present now. So, I put clauses 4 to 33 to the vote of the House.

The question is:

"That clauses 4 to 33 stand part of the Bill.

The motion was adopted.

Clauses 4 to 33 were added to the Bill.

Clause 1—(*Short title, extent and commencement*).

Amendment made:

Page 1, line 5,—

for "1974" substitute "1975" (7)

(*Shri Vishwanath Pratap Singh*)

MR. DEPUTY-SPEAKER: The question is:

"That clause 1, as amended, stand part of the Bill."

The motion was adopted.

Clause 1, as amended, was added to the Bill.

Enacting Formula

Amendment made:

Page 1, line 1,—

for "Twenty-fifth Year" substitute—"Twenty-sixth Year" (6).

(*Shri Vishwanath Pratap Singh*)

MR. DEPUTY-SPEAKER: The question is:

"That the Enacting Formula, as amended, stand part of the Bill."

The motion was adopted.

The Enacting Formula, as amended, was added to the Bill.

MR. DEPUTY-SPEAKER: The question is:

"That the Title stand part of the Bill".

The motion was adopted.

The title was added to the Bill.

SHRI VISWANATH PRATAP SINGH: Sir, I beg to move:

"That the Bill, as amended, be passed."

MR. DEPUTY-SPEAKER: The question is:

"That the Bill, as amended, be passed."

The motion was adopted.

15.45 hrs.

COMMITTEE ON PRIVATE MEMBERS' BILL AND RESOLUTIONS

SHRI S. P. BHATTARCHARYYA: (Uluberia). Sir, I beg to move:

"That this House do agree with the Fifty-first Report of the Committee on Private Members' Bills and Resolutions presented to the House on the 26th February, 1975."

MR DEPUTY-SPEAKER: The question is.

"That this House do agree with the Fifty-first Report of the Committee on Private Members' Bills and Resolutions presented to the House on the 26th February 1975."

The motion was adopted.

15.46 hrs.

RESOLUTION RE. GROWTH OF FASCISM IN THE COUNTRY

MR. DEPUTY-SPEAKER: We now resume discussion on the resolution moved by Shri Shyamnandan Mishra on the 30th August 1974. He had just started.

SHRI SHYAMNANDAN MISHRA: Mr. Deputy-Speaker, Sir, this motion of mine has had a very chequered career and it has been almost in a state of abeyance for the last two or three sessions.

15.47 hrs.

[SHRI ISHAQUE SAMBHALI in the Chair]

But right in the beginning, Mr. Chairman, I would like to assure the House that I have not brought up this subject in any lighthearted spirit or, if you so like even in a spirit of political malice or campaign against the ruling party I would also like to emphasise that I am not using this term 'fascism' or for that matter 'fascistic' at any stage as a term of abuse against my political opponents. It is obvious that it is the monopoly or privilege of the ruling party to use these terms of abuse against their political opponents. In fact, their whole progressivism seems to consist in the use of such words against their opponents. Otherwise, there has been absolutely no manifestation of their progressivism in any field, economic or social so far. So, I do not want to cut into their monopoly or high privilege of using these terms of abuse against others. It is they who have been saying that their political opponents are reactionaries, CIA agents and what not. We have never used these terms against them.

May be all of us on both sides of the House are responsible to a certain extent in contributing to conditions for the growth of fascism in this country. I am prepared to accept responsibility to the extent it belongs to me or to the opposition. May be both the cabal in Delhi and the rabble of the opposition are responsible for the fascistic conditions growing in the country. But it cannot be gainsaid if they are fair, objective and impartial, that the main responsibility for creating these conditions have to be accepted by the ruling party. In fact, they can be created only by an elephantine, gigantic party like theirs or by a mighty government like theirs. It is not given to any political party to create such conditions in this country. So, to that extent where the responsibility lies is clear.

I am bringing up this motion in order to make the House weigh the situation carefully, sit up and think before it is too late and before the trend towards the precipice becomes somewhat irreversible But it does appear to me that the way in which we are going towards the precipice, there may not be any turning back from it after a particular point of time, and it is in that spirit of seriousness and gravity that I have brought up this motion before the House.

It is not necessary, so far as I see it, to enter into any kind of formalistic argument about the definition of this term, so long as we understand the basic features of this system. The previous historical experiences are indeed important to an extent. But, let me make it absolutely clear that, so far as I am concerned, I do not think there can be any uniform model for fascism in all countries. The experiences in the year of grace 1975 are bound to vary from the conditions which prevailed in Italy, Germany, or Japan, or in any other country for that matter. But the behaviour patterns, of course, are very clear and the basic features of those patterns are also very clear, so far as we can see.

It is on this basis that, I want to warn this House, and through this House the country, that our system now seems to be hurtling towards a fascist stage. I am not suggesting at the moment that the conditions for fascism have already been created. I am only saying through my motion that the Government is creating conditions in which the growth of fascism may be possible in this country. To repeat I am not saying that at this point of time the system has already matured into what you can call a fascist system. But what I am apprehensive of is the fact that very soon we might be approximating those conditions.

What do we find today? We had a kind of disequilibrium in our society which is similar to the one in which the political conditions for the growth of fascism are created. This disequilibrium is typified by a ruling party unable to solve the crisis by ordinary means, by ordinary laws and so on, and the poor people unable to bring about through any organised effort a social transformation. This is the peculiar situation in which we find ourselves. The ruling party is now completely like a squirrel charmed by a snake. It is not able to tackle the crisis that is developing in this country and which very soon might overwhelm it That is the state of the ruling party On the other hand, the poor people of this country, of which the working class is also one of the important elements, are not in a position to bring about a situation in which the social transformation can take place. This was precisely the condition in Italy or Germany when fascist take-over took place.

Only when such a conflict situation is created, or a situation of stalemate is created the conditions for the growth of fascism are brought about. In this conflict situation, as I have portrayed before you, I am quite sure that the ruling party would now be taking recourse to methods to resolve it by greater political concentration in their hands, as it happened in Germany or in Italy earlier. That is exactly what we find now.

As this resolution, it does appear to me, is going to be carried over to the next day also, may I, at this stage first describe—when such situations were prevailing in other countries—how they tried to solve their problems by various devices? One of such devices was of national socialism in Germany; pseudo corporativism in Italy; in Japan, there was aggressive nationalism; in France, there was the device of popular front; in America, you might say, there was the device of New Deal. When such situations arise, you have to take recourse to some of these methods. It is quite clear that you are going in the direction in which Italy and Germany went earlier.

As I have submitted earlier, there could be no uniform model for fascism. That is precisely because of the fact that there can be no uniform model for any system—even for capitalism, socialism or communism. There is no such uniform pattern for any system today Similarly, in this country also, it may not be exactly the replica of what prevailed in some other countries

What are some of the traits of fascism which seem to be emerging in this country?

The first is the identification between the State and the party. That is really what seems to be worrying us a great deal. Do you find the party and the State to be distinguishable entities here? What you have brought about is: the State and the party seem to have merged in one kind of entity. That is precisely what happened when you held your session at Calcutta in 1972. Even the Defence Department was mobilised to build bridges for your Congress session. Recently, what happened at Narora? Many people who visited Narora during those days would bear witness to the fact that there were hundreds of tents put up by the State on that occasion and at every step, there was police to guard the delegates who had assembled there. It is, therefore, very clear that you do not see any distinction at all between the State and the party.

Another important feature of the situation is the process of de-stabilisation of the situation. This is being fostered at the moment. Everything seems to be brought into a state of instability. The only stable element that is sought to be projected is the Supreme Leader. And this is one of the basic features of fascism that everything must be made un-stable and the only stable factor must be the supreme leader.

[Shri Shyamnandan Mishra]

We never had this concept of supreme leadership even during the days of Nehru. We never called him as the supreme leader of the nation or even for that matter, the supreme leader of our party. Can any person, any hon'ble Member on the other side, cite a single instance when Nehru was called the supreme leader? But, now, hardly there is any occasion when the Prime Minister is not designated as the supreme leader of the party. This is Fuehrer principle that prevailed in Germany. There was the glorification of an individual representing the general will of the people...

SHRI VASANT SATHE (Akola): Where did you hear anyone of our partymen calling the Prime Minister as the supreme leader? Can you quote even a single instance?

SHRI SHYAMNANDAN MISHRA: I can show it you. .(*Interruptions*).

SHRI PILOO MODY (Godhra): The Hindi translation is, Durga Devi.

SHRI SHYAMNANDAN MISHRA: What is emerging now is the cult of personality in this country and the apotheosis of an individual. If you elevate a person to the position of Goddess or God, as my hon. friend said, you can imagine the fate of democracy in this country.

16.00 hrs.

Can democracy flourish under the shadow of a personality who is supposed to be beyond laws? It is to that position that you have elevated the present Prime Minister. Now you may say that the cult of personality also requires a personality. But even for running a different system, you require a personality. Hitler also had a personality. My humble submission is that the kind of personality that you are trying to project is a personality which cannot run democracy but a system quite different from democracy.

This is the cult of the supreme leader. What did we find the other day? Right in the heart of the city of Delhi, an important businessman called Mr. Narang set up a pillar, in Connaught Circus....

AN HON. MEMBER: A hoarding.

SHRI SHYAMNANDAN MISHRA: It was on a pillar which proclaimed, "The Leader is Right, our Future is Bright" So, the leader must be proclaimed to be right in all possible circumstances: And here is a clear collusion between the big business and the Government. What business has Mr. Narang to set up a pillar of that kind proclaiming to the entire wide world that we have got a leader who must be considered to be right in all conceivable circumstances and that our future must be considered to be bright under her leadership? This is precisely what happened in fascist Italy where it was said that Mussolini was always right. This is what happened in Nazi Germany where also it was said that Hitler was always right. Therefore, we found the amusing spectacle yesterday that the Prime Minister was applauded by your Party at every stage, even though she was saying the most fantastic things which cannot be absorbed by any party And if we interrupt the Prime Minister, you say that we are interrupting your leader I ask you do you ever subject, what the Prime Minister says, to any kind of careful scrutiny in your Party? Did it appeal to you at all that what the Prime Minister was doing yesterday was making another kind of Address, another kind of speech? We are now being treated to two Addresses, one Address from the President of India and another from the Prime Minister. Otherwise, that was not a reply at all to the criticisms that had been made in this House. (*Interruptions*). That means, the Prime Minister is completely impervious to the criticisms that are being made in this House. Therefore, Mr. Chairman, my submission is that though the

infallibility of Pope has been debunked, you are now raising another infallibility (*Interruptions*). The personal rule is absolute and, correspondingly, the institutional decline is total.

It is in this situation that fascist conditions are bound to grow. Even a totalitarian regime, for that matter, I would like to submit to you, has got a larger hierarchy around it. A totalitarian regime in any country, you would find, is sustained by a larger hierarchy. But is there any hierarchy with the Prime Minister at the moment? Indeed, you have got the most friendless Prime Minister in the world The Prime Minister is running the show not with the aid of my hon. friend, Mr. Sathe, or even for that matter with the aid of my hon friend, Shri Dwarak Nath Tiwary, who has spent 55 years of his life in public cause. Is she running the country with the help of any one of you? Do you think that any one of you matters in the deliberations of the Prime Minister? Whether it is the hon Minister of Food and Agriculture, Mr. Jagjivan Ram or the hon. Minister of Foreign Affairs, Mr. Chavan—does anybody matter in the deliberations?

I am only trying to show you true face in the mirror. This is what happens to be the position. We have to think of a larger circle running the country, not one individual running the country. We can not think in terms of an edifice which rests on one pillar; such an edifice is the precursor of a fascist regime in a country.

Then, you find that a rascist leadership asks for more and more powers and goes on grabing more and more powers, but those powers are not used for any social change or transformation. Now, what did the hon. Prime Minister do right from the beginning? I would like to refresh your memory.

In 1969 when, we parted company, the hon. Prime Minister said, 'The bosses in the Party do not allow me to have my way.' Was it not precisely the formulation of the hon. Prime Minister at that stage which was put across to the country? And the result was in a sense the surrender of the party, a large section of the party to the Prime Minister. But what did it bring about? After that surrender to the Prime Minister and after the bosses were eliminiated, there was only more and more drift towards chaos.

Then in 1970 the Prime Minister said 'the Parliament was not giving me enough powers'. That is the difficulty which the Prime Minister said that she experienced at that stage. So, she dissolved the Parliament. The Congress, as we have always considered it is not only a seat of power or a sort of a sign-board which you can fix anywhere. The Congress is not the Government. Any usurper can usurp the seat of power. But Congress means a set of values. However, you liquidated that Congress in 1969 with your declaration that the bosses came in your way. And, later on, in 1970 the Prime Minister said that the Parliament was coming in her way, the Parliament constituted as it was. So, she dissolved the Parliament. Now, she got another parliament..

SHRI PILOO MODY: Now, the opposition is coming in the way. So, she tries to dissolve the opposition.

SHRI SHYAMNANDAN MISHRA: I am coming to that.

Now, in 1971 she got a new Parliament and what was flaunted in the face of all of us also was a massive majority. We knew how hollow this claim was. Now you say that with all this massive majority you are not able to have your way. So, I ask, Madam Prime Minister, how solid is your massive majority? Is this massive majority viable? If this Opposition, a very minuscule opposition, could come in the way of this massive majority then it is clear that your massive majority is not viable at all. You are not able to put it to any use. You are not able to utilise this massive majority for any social change or transformation.

[Shri Shyamnandan Mishra]

Then, in 1972, after having got this massive majority, the Prime Minister said to the country, 'The fundamental rights come in my way.' So, the demand was that the fundamental rights must be liable to be abridged. That also was done by this Parliament which impliedly agreed even to the abridgement of the fundamental rights including the rights of the minorities.

That did not satisfy the Prime Minister and this wonderful party. She then said, the judiciary came in the way, the judiciary was obstructing the necessary social reform. What has been the result? We have witnessed how was it cut down to size and asked to behave. I don't know whether the judiciary is even then going to be subservient or obsequious, in its behaviour to the ruling party because I have still my faith in the judiciary

Later the Prime Minister said this in 1973 and other spokesmen have also endorsed her that bureaucracy came in her way and it must be committed. Committed to what? To any social change? To any progress? In effect, what it means was that it should be committed to the leadership of the Prime Minister. So what you find is this: not commitment to the honourable gentlemen sitting on those benches on the other side not committed to the Cabinet but commitment to a single individual. That as what this commitment means.

Now, what has this commitment brought about? Has this commitment brought about any progress in the country? Has this commitment brought about any change in our society? Has the commitment brought about any prosperity in the country? No, not at all. The country is stagnating at the same level as it was in the year of grace 1965-66. Nay, there has been steady decay due to this regime. In 1973 you blamed the bureaucracy for all your omissions and commissions. You wanted the bureaucracy to be committed. The result is this that we have got this completely demoralised administration.

Then a different chapter appeared. That is what I am going to narrate to you. Do you, hon. gentlemen, sitting on the other side, think that the licence scandal is going to be left at the stage it was in the last session? No. This licence scandal is going to blow up in a big way in this House. Let there be absolutely no doubt about it in your mind It is not in any spirit of sensationalism that we want to take it up but we are going to take it up in a big way during this session with further feets and material After all the administration of the country is a responsibility of everybody and how the country has been run; you get a slice of this in the mirror of the licence scandal

SHRI VASANT SATHE: When is t going to blow up? On the 6th?

SHRI SHYAMNANDAN MISHRA: You better get a seat on the roof of this House Otherwise my hon friend will not have the good fortune of having a look at the vast millions who would be surging towards this House. Some 20 lakhs of people who would be moving towards the Parliament House with the national charter. That should send thrill down your spine on that day.

The entire administration is demoralised, this is what is happening now.

Now, may I remind you what the Prime Minister said after the Samastipur blast which took the life of Shri L. N. Mishra? Can anybody have any shred of faith in this investigation that is to be conducted under your auspices? The Prime Minister is the head of this investigating agency and she has already pronounced her verdict. Is that the way any democratic leader would function? Has not the Prime Minister placed the investigating

agency in a difficult predicament in which they have either to confirm her or contradict her? But the Prime Minister thought it fit to give expression to her views.

All these things did not help the Prime Minister and the blessed ruling party. Then they thought that they must have the abnormal laws, extraordinary laws. Ordinary laws of the land cannot help them. And therefore they had been continuing the state of emergency and the rule of MISA and the DIR in this country. You are having this regime to your heart's content. But, the country asks you: where are we heading to? Are we going to have more of bread, more of employment, more of cloth and more of houses in spite of all these things? You have been granted by the country all these powers in a pusillanimous manner. You have got what you have demanded. The House had also conceded in a generous way all these powers. And yet what exactly has been achieved for this country? You see now that our democracy is ruled by ordinances. We have the rule of money power and bayonet power. That is what the country has witnessed. You have already proclaimed to the entire wide—world that you cannot run this country in a normal way. Democracy is run by means of ordinary laws of the land. You require extraordinary laws like the DIR and the MISA.

Yesterday the hon. Prime Minister was shedding crocodile tears over the arrest of a student under MISA. If the Prime Minister is so solicitous as far as the student is concerned, I ask her to make a firm and clear declaration that MISA would not be used against the political workers or the political movements. And that was also the assurance given to the House by the Minister who had piloted the Bill on MISA.

But, now MISA is being used against the political workers largely. But, I would like to remind my hon. friends on that side that like the Roman Senate, they are now passing laws of which they are going to be the first victims. This was what happened in Rome. You are sheepishy supporting a rule of that kind.

This is the way Fascism works. Hitler asked for more and more powers. But ultimately he used those powers. But ultimately he used those to destroy the soul of the nation. And that is what might be done by the ruling party here also.

Mr Chairman, now I come to another trait of Fascism. Fascism wears the mask of socialism and it speaks the language of socialism. And that was what Nazism did. It donned the mentle of national socialism. Benito Mussolini was at one time a Socialist. If it was true of Fascism more than three decades ago. it would be much truer of it in the year of grace, 1975, to have a facade of socialism progresivism and what not Now, the urge is for greater equality and for social justice. The tide cannot be turned back that easily; they cannot put the clock back so easily. In India, Fascism is indeed going to have pseudo-radicalism of a greater magnitude. Here it may be more radical seemingly than it had been in Germany and in Italy earlier.

श्री राम सहाय पांडे (राजनंद गांव) : आप जरूरत से ज्यादा डर गये हैं।

श्री श्यामनन्दन मिश्र : डरे हुए रहते तो 6 मार्च को यहां पर महला बोलते क्या ? मगर हमारा हमला तो शांति के साथ होगा। हमारा हमला वैसा नहीं होता जैसा इंदिरा ब्रिगेड वाले करते हैं।

Then, Mr. Chairman, there are certain checks and balances which work in a Parliamentary system. Have my hon. friends ever taken stock of the checks and balances working in the system? For a check on the arbitrariness of the executive the ruling party in the first instance,

[Shri Shyamnandan Mishra]

must provide a check on the Government. But I ask you to tell the House honestly and candidly whether you are able to have a check on your Government The reason why I say that this party is not able to exercise any check on the Government is that it does not seem to be functioning at all.

I had the good fortune of belonging to the united party but in those days the general body of the party did function, the executive committee did function I ask them to tell us candidly whether your general body is functioning now.

SOME HON. MEMERS: Yes. Only today there was a meeting.

SHRI K RAGHURAMAIAH When we were together and worked so much, we got tired and broke down.

SHRI SHYAMNANDAN MISHRA: attitude and not because of the democratic attitude of the rank and file in the party.

Now, may I cite one clear instance that in the good old days the Congress Socialist Forum was allowed to function and did function freely. But now you have wound up both the Forum for Socialist Action and the Nehru Forum. This is the state of the Party that all these forums have been wound up. Sir, I happen to be the founder of the Congress Socialist Forum.

SHRI VASANT SATHE: So, you also believe in socialism, Mr. Shyam Babu!

SHRI SHYAMNANDAN MISHRA: Now, I would be making myself a ridiculous fool if I declare that I also happen to be socialist because you have made this word a dirty word.

PROF. MADHU DANDAVATE: Are you asking us to change the name of our party?

SHRI SHYAMNANDAN MISHRA: So, Sir, this is one of the instances. During those days when I undertook the initiative of founding the Congress Socialist Forum it did encounter some difficulties in the beginning but ultimately—I was also asked whether such a body could be brought into being within the framework of the Congress constitution—it did come into being. I said 'Of course there is no bar to this' since it would not have a separate membership and so on. So, it was allowed to function. Pandit Jawaharlal Nehru came to the AICC to announce that such forums thinking bodies, were welcome inside the Congress party. He is on record as having said that. But the hon. Prime Minister, the illustrious daughter of the late Pandit Jawaharlal Nehru has thought it fit to wind up these forums. Now, I ask you, had Shyamnandan Mishra been in that party, would any leader of the party have been asked to wind up a body like this? Yet, you say that you happen to be the members of a very progressive party.

SHRI VASANT SATHE: Shyam babu wound up the party itself and went away.

SHRI SHYAMNANDAN MISHRA: Now, you are winding up the democracy itself. Your achievement is greater. My achievement pales into insignificance before your achievement, because you are now on the point of succeeding in winding up democracy in this country.

Now, Mr. Chairman, Sir, I was saying that in the first instance, this party is not able to exercise any check; neither its general body nor its executive. These are only ornamental bodies now they are expendable bodies now and the Prime Minister has absolutely no use for them.

What can you expect from this Cabinet also? Does this Cabinet function and who can have his say in it? I am told that nobody has the courage to come out with his views

clearly in the Cabinet because ultimately those views are going to be set at nought. (*Interruptions*).

Of course, this subject is to be carried over to the next day. You have fixed up 5 UM for the presentation of the General Budget and we are bound to adjourn at 4.30 P.M.

So, I am saying that in this democratic system, all the checks and balances are being eroded. The one instance that I have given is of the party itself, which is not acting, which is not exercising its check on the arbitrariness of this Government.

I will come to another check but I must emphasise that the check by the party was particularly necessary because the Opposition in this House happens to be very small in number and therefore, not so effective In spite of its microscopic minority, it has been able to make an impact on the country, and yet, so far as the measures for the welfare of the people are concerned, it would not be able to do much It was, therefore, an essential obligation on the ruling party to see to it that it did exercise some check on the executive.

Now, Mr Chairman, the other check was the Press Where does the Press happens to be at the moment?

MR. CHAIRMAN. You may continue next time.

The Lok Sabha adjourned till Seventeen of the Clock

The Lok Sabha re-assembled at Seventeen of the Clock.

(MR. SPEAKER *in the Chair*)

GENERAL BUDGET, 1975-76

MR. SPEAKER: The hon Finance Minister.

THE MINISTER OF FINANCE (SHRI C. SUBRAMANIAM): Mr. Speaker, Sir, it is my privilege this year to present the budget to this august House.

1.2 Its formulation has been no easy task, but my burden has been lightened to some extent by my distinguished predecessor in office who had applied many correctives earlier in the year, these severe measures had a distinct impact on an admittedly difficult economic situation that our nation has of late been faced with.

1 3 It is unnecessary for me on this occasion to recount in detail the variety of factors, both external and internal, which have interfered with the orderly implementation of our development plans and strategies in recent times. The virulence with which inflation has been spreading and its devastating impact across national boundaries, continue to impose on developing countries such as India burdens and hardships which we have been ill-equipped to withstand. The impact on the living standards of our people and on the pattern of real incomes within the country has been serious enough. What is even worse is the persistent rise in prices which has eroded the capacity to save and thus imposed a painful constraint on the flow of investible resources so urgently needed to sustain our plans for a better future. The Economic Survey sets out in some detail the anatomy of this complex problem and the characteristic features of the current situation.

1 4 It is against this backdrop that I would like the Honourable Members to assess and to judge my budget proposals

1 5 What, one might ask, has been the underlaying approach—the basic philosophy—in framing these proposals? Is it merely an ostrich-like exercise to balance receipts and expenditure for the exchequer? Or does the budget seek more positively and purposively, to subserve larger national objectives?

[Shri C. Subramaniam]

1.6 The answer is, of course, clear and unequivocal. We do look upon the budget as an important tool for reaching our cherished socio-economic goals. Development, the security of our country and growth along with social justice continue to govern our priorities; these objectives determine our decisions on *how much* to spend, on *what* programmes to spend and in *what manner* the resources are to be raised. The pattern of our outlays, as well as the relative weight of particular instruments in the raising of resources might vary—indeed, may well need to be deliberately fashioned afresh from time to time, in response to changing circumstances and requirements But about the over-riding concern and commitment to deliver the masses from grinding poverty there can of course, never be any doubt or vacillation I shall spell out a little later in my speech, the concrete steps contained in this budget to take the nation forward in this direction

1.7 The immediate concern of our fiscal and monetary policies has been naturally to bring inflationary pressures firmly under check A series of steps had to be taken—some of them unpalatable and unpopular—to restrain and discipline the demand pressures operating on the limited availabilities of food and fuel, of clothing and housing, of transport and power in an economy besieged by rising prices. In the shortrun, there was no equally effective alternative open to the planners and policy-makers to balance demand and supply of these essential goods and services for containing inflation, These present a great challenge to our nation and call for courage and fortitude.

1.8 However only incurable pessimism will, I think, bar us from acknowledging with some satisfaction the fact that already there are visible signs of a downward trend in prices. The 'Economic Survey' provides some details of price trends for important commodities. They give room for some satisfaction but ordinary prudence demands that we continue to be conscious of the fact that the fever of inflation has not been entirely cured; it has as yet only shown signs of some abatement.

1.9 But then, let us also remind ourselves that the problems of poverty in our country cannot be solved by merely holding the price line. We can meet them only through growth. A rapidly growing economy is the best insurance against perpetuation of poverty, indeed it is the only solution We have, therefore to devise ways and means of stimulating production from the available capacity and of adding to that capacity in sectors considered vital for improving income and consumption levels of the poor This requires a multi-pronged drive to augment our capital, and improve our technology and management The budget proposals, which I shall set forth presently, embody certain specific steps to provide the stimulus to the economy on these lines as part of a longer-term strategy for stabilising and on that basis imparting greater viability and vitality to our economy

II

2.1 Our ability to meet the minimum basic needs of our people depends crucially on the trend in agricultural production. It is in this light that I regard the claims of agricultural growth as *the first charge* on our developmental resources. Modern agriculture is interlinked with industry. Fertilisers, pesticides, agricultural implements and equipment besides supply of power determine agricultural productivity, as much as seeds and water. The sectors of our industry which supply these vital inputs to our agriculture, therefore, merit the highest priority.

2.2 The continued sluggishness of Indian agriculture since 1971-72 has contributed significantly to the distortions which have emerged in our economy in the last two or three years. The causes for this sluggishness have been carefully analysed; we have identified a series of measures directed towards imparting a new momentum to this vital sector. The prospects for the forthcoming rabi crop are encouraging. This should not, however, make us complacent in our drive for higher productivity from the land and labour employed in agriculture. A sustained increase in productivity will call for action on many fronts.

2.3 The *first* priority is, of course, the supply of good quality seeds of the high-yielding varieties. A major National Seeds Project for large-scale production of quality seeds has been launched. This project will cover production, processing, marketing and quality control of seeds. Regional and State-level Seed Corporations, with a time-bound programme of self-sufficiency in meeting in full the demand for high quality seeds, are being established. Agricultural Universities will be involved in the work to ensure quality. The research and teaching staff as well as the students are to be involved in solving the practical problems of seed production and supply. Arrangements are also being made for an effective seed certification programme, and for the build up of national and local buffer-stocks to meet emergency needs. The financial and other requirements of this programme will be fully met.

2.4 *Secondly*, fertiliser production programmes are being pushed through, notwithstanding the escalation in project costs of the new units. The public, the cooperative, as well as the private sectors have been given a role in bringing to fruition additional fertiliser capacity during the Fifth Plan period so that dependence on imports—which is costly and unreliable at best—could be mitigated if not done away with altogether.

2.5 *Thirdly*, programmes designed to ensure optimum utilisation of surface and ground water to aid agricultural production will be pushed through. Command area programmes under major irrigation projects will be supported by sufficient inputs of men and materials so that the new potential is taken advantage of by farmers with the least delay and for maximum social benefit. Inter-State river disputes, which unfortunately have been dragging on without solution for a number of reasons in the past, are now being looked into with a special sense of urgency. As a result, the progress in some of the cases has been quite appreciable. Failure to settle these disputes is leading to waste of water and sacrifice of additional agricultural production that the country so desperately needs.

2.6 *Fourthly*, special efforts are being made to organise Farmers' Service Societies to provide credit to the farmers in time, to arrange for inputs and to help in processing and marketing of the produce. A high-powered group which examined this problem has formulated a scheme for the formation of viable multi-purpose societies linked to Central Cooperative Banks or commercial banks as the case may be. These recommendations have been accepted by the Government and the Departments concerned are working out a programme of action in order that the objective of timely and adequate supply of credit backed by physical inputs and covering processing and marketing is realised, particularly for the benefit of the small and medium farmers.

2.7 Next only in importance to the agricultural sector is *the energy sector*. The nationalisation of coal is beginning to yield results. During the current year the production of coal is expected to go up by about 10 million tonnes to a record level of 88 million tonnes. I would like to say a special word of appreciation and thanks to the workers in the coal mines; without their enthusiastic cooperation we could not

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have achieved the increase in production. Re-organisation in the management of mines and supply of much needed equipment, spares and technical expertise have laid the foundations for an expanding trend in coal output. Two of the major constraints on coal production, namely, shortage of rail transport and power, especially in the eastern sector have now been largely removed With the present trend it is expected that during the next year, coal production will go up by another 10 million tonnes, that is, to 98 million tonnes At this level of production, it should be possible to meet the domestic demand in full (including partial substitution of coal for furnace oil), we might also perhaps export some quantity for earning much-needed foreign exchange

2 8 The immediate impact of the steep increase in the prices of crude oil and the petroleum products, was, no doubt, to strain the country s balance of payments severely. At the same time this has given a new sense of urgency and momentum to our efforts to increase production of indigenous crude The anticipated increase within as brief a period as one year, between 1974-75 and 1975-76, is from 7 6 million tonnes to 8 4 million tonnes, an increase of about 12 per cent. What is more important is the progress achieved and the potential that is opening up for a major break-through in the indigenous production within the next 5 to 10 years The discovery of oil deposits in the structures known as Bombay High is already known. The Oil and natural Gas Commission is expected to establish the first stage of production from Bombay High in the second half of 1976 with a yield of about one million tonnes per year. By 1980 production from this source might well reach the level of 10 million tonnes, though one may have to wait a little before making firm, estimates. The Bengal and Kutch offshore basins are also being intensively surveyed and the preliminary results so far obtained appear encouraging. The dynamism exhibited by the Oil and Natural Gas Commission merits our appreciation.

2 9 After a period of stagnation and shortage with widespread consequences to both industry and agriculture, recent trends in the production and distribution of electricity also show a welcome improvement. The entire electricity industry is being restructured with accent on professionalism, efficiency, competence and precisely defined responsibility for the staff As a result of these measures, there has been distinct improvement in the levels of power generation in the eastern region The Central Electricity Authority is being reactivised and the State Electricity Boards are being helped to professionalise their management, to arrange for maintenance services and to improve staff skills These programmes as well as recent achievements portend an easier power supply situation than has been the case in recent years Government are also actively examining the possibilities of setting up at the pit heads of major coal fields in the country a number of super thermal power stations. These Centrally owned power stations would enable the Union Governmnt to even out to some extent, the regional imbalances in power availability, augment the power supply substantially and to bring about a more rational approach to the problem of generation and distribution of power in terms of real needs

2 10 I wish to submit that the important feature of this Budget is a clear-cut identification of these twin priorities—food and energy with the supporting facilities—and the earmarking of adequate funds for the development of these two sectors in the first instance before taking up the claims of other sectors. This is the kind of inescapable and often cruel choice which planners and policy-makers in developing countries are called upon to make, best as they are with scarce resources and multiple needs. I

have no doubt that Hon'ble Members will endorse the over-riding priority that is being accorded in the Budget to the food and energy sectors of the economy, even at the risk of depriving some of the other sectors. I should, perhaps, add that in so doing we are observing the basic investment strategy underlying the draft Fifth Five Year Plan.

2.11 Nor would this clear-cut adherence to priorities be confined to the Central Budget only. In the course of the discussions with the State Governments for fixing the magnitude and pattern of the State Plans for 1975-76, it has been ensured that the requirements of agriculture, irrigation and power are met as a matter of first priority and only the balance of scarce resources distribution among other sectors. I would here like to express my gratitude to the Chief Ministers of State Governments and Union Territories for their willing support and co-operation in agreeing to frame their plans within this broad pattern of national priorities.

2.12 In striving to stimulate production in areas of high priority we have not lost sight of two other equally important considerations—one relating to the human and geographical aspects of production, and the other, to the proper distribution of the goods produced. The needs of relatively weak producers and backward regions will continue to receive special attention and support. The problem of production, of diffusion of income and employment, of reduction of inequalities, and of ensuring minimum consumption standards for all have to be looked at in their entirety. The specific programmes under these heads should not only be mutually consistent with each other, but should be so designed that they facilitate and reinforce each other. The increase in agricultural output that we are aiming at is thus not a matter of mechanically reaching a magic number. Considerations of balance between classes of farmers and of regions, and of ensuring a pattern of production that is in consonance withour socio-economic objectives are equally important.

2.13 If the fruits of economic development are to be equitably distributed, adequate attention will have to be paid to the problems of relatively backward regions and districts. To that end, development plans have to be drawn up on the basis of a careful analysis of local needs, potentialities and resources. In this connection, I would lay great emphasis on a comprehensive survey of natural resources in all districts of India. This would enable us to work out operationally meaningful plans and programmes to make optimum use of locally available resources along the lines of the now well-known Karimnagar project in Telangana.

III

3.1 In spite of the various prophecies of doom one hears these days, I am definitely optimistic that the pace of economic development will be considerably accelerated in the coming years. I must, however, point out that the full realisation of our growth potential will require sustained hard work and the utmost discipline on the part of all sections of the community. We are currently faced with an acute scarcity of domestic financial resources. Our balance of payments position is also under strain. In order to deal effectively with the tasks that lie ahead, we must do everything in our power to increase our exports, and economise in the use of scarce imported inputs. Higher investment in the key sectors is essential, but it must be financed in a non-inflationary manner. This means we must increase the rate of savings. As part of the strategy of discouraging excessive current consumption, we need to evolve a more rational wage and salary structure, which should be more equitable than the present structure, and also in conformity with the changing demands for skills in a dynamic economy.

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3.2 In our quest for accelerated growth combined with stability I place the highest importance on protecting the more vulnerable sections of the population against shortages and the high prices of essential commodities. For this we must have a well-functioning public distribution system for certain basic essential commodities. There must be greater certainty of supply, and the system must in fact serve those whom it is meant to benefit. I, therefore, seek an expansion of the public distribution system, and this pre-supposes efficient arrangements for the procurement of the needed commodities. I am glad that procurement of kharif cereals during the current year has proceeded satisfactorily This combined with adequate imports, will certainly be of considerable help in the operation of an effective public distribution system of foodgrains in the coming year.

3.3 Cloth is another commodity that must be provided. With the recent enactment of the Sick Textile Undertakings (Nationalisation) Act, Government have acquired 103 textile mills whose management had earlier been taken over by the Government. The acquisition of these mills provides Government with another very useful instrument to regulate the production and distribution of cloth. Government are now considering further steps to ensure that the production of controlled cloth is in line with the agreed target and that this cloth reaches those sections of the community for whom it is meant.

3.4 Since resources are scarce, the utmost emphasis has to be laid on increasing productivity. This is a task which requires all round improvement both in public administration and the management of enterprises. I have every hope that recent innovations such as the system of internal financial advisers, performance budgeting, and greater emphasis on monitoring and information, will help to tone up the quality of public administration. I am happy to note the emphasis being laid on promoting higher productivity in all manufacturing public sector enterprises by applying more scientific policies in the fields of personnel administration, management development, materials management and management information systems and above all, through the introduction of modern productivity techniques. The improved performance of a large number of public sector enterprises is a testimony to growing productivity consciousness in the public sector.

3.5 I believe this House will concede that as a result of rigorous measures adopted by the Government, we have succeeded in combating what seemed to be a run-away inflationary situation. To achieve this, Government non-developmental spending was curtailed, increase in wages and a part of additional dearness allowance had to be temporarily frozen, the increase in the rate of money supply drastically brought down, and severe action taken against hoarders and smugglers As a result of these efforts, for the last few months prices have been slowly but steadily coming down. This is no mean achievement when we consider that in most other countries around the world prices continue to rise. While continuing this policy of rigorous control on spending, there is also need, as I have mentioned earlier, for increased investment, both by the Central and State Governments, and the private sector, in important priority areas. It is one of the objects of this Budget to help achieve this. While the rate of spending in other areas must remain low, this is also the time to prepare the ground and do the necessary investigations to prepare for higher investment in later years. This we are engaged in. It is our purpose to invest now in projects in important areas that will yield quick results, and complete those, in an advanced stage of implementation. Also important is the need to promote domestic savings and to stimulate investment. These various objectives we seek to achieve through the present Budget.

3.6 I have just mentioned the need to stimulate investment. The capital market has been depressed of late, particularly after the Restrictions on Distribution of Dividends Act. The Unit Trust of India had to face a situation in which repurchases were much higher than the sale of units. The Government, therefore, issued an Ordinance providing for certain tax relief and other remedial measures which have greatly improved the situation. For improving the capital market, I intend to introduce soon an amendment to the Restriction of Dividends Act which will provide that while dividends in excess of the various limitations laid down in the Act may not be paid, higher dividends can be declared, the deferred dividend being payable in two annual instalments, but without interest, when the present Act expires. These measures will improve the climate for investment particularly in respect of new issues.

3.7 I am also conscious of the fact that in recent years, there have been steep escalations in capital costs which have acted as an inhibiting fctor to new investment in certain capital intensive industries which are vital for our future growth. Government have appointed a high-level committee to go into this question. When the report of this Committee is received, we shall quickly examine the need for suitable fiscal concessions, and new pricing policies as a means of stimulating fresh investment in these areas.

3.8 The experience of the last two years amply demonstrates that effective steps to eliminate the black money economy must constitute an essential component of our strategy to impart a measure of stability to the economy, and to divert the available pool of national savings for high priority investments. I wish t oreaffirm that Government is firmly committed to root out the evil practices of smuggling, hoarding, e blackmarketing and tax evasion and have given evidence of their determination in this regard. In this context a separate law for dealing more severely with various economic offences seems to be a necessity.

3.9 Having thus outlined our approach, I will now give some details of the revised estimates for 1974-75 and the budget estimates for 1975-76.

IV

Revised Estimates 1974-75

4.1. The original budget for the current year envisaged a deficit of Rs. 126 crores. It has not been possible to adhere to this figure because many of the assumptions on which the original budget was framed have been affected by adverse trends in the economy, most particularly the phenomenal price rise this year. The various reasons for this I shall explain.

4.2 The provision in the budget for food subsidy was Rs. 100 crores. In view of the difficult food situation and the need to maintain the public distribution system at the level of 11 million tonnes, in 1974, we had to arrange for the import of as much as 5.5 million tonnes of foodgrains. The cost of imported foodgrains also went up greatly. Food subsidy during the year is now expected to amount to Rs. 295 crores.

4.3 The provisions for salaries of Central Government employees included in the budget for 1974-75 were based on the price level reached upto December 1973, and a lump sum provision of Rs. 120 crores was made to meet the cost of additional allowance. On the basis of the price increase upto April 1974, three instalments of dearness allowance were sanctioned. Prices, however, continued to rise till September 1974, and three further instalments of dearness allowasce fell due on the basis of the dearness allowance formula accepted by the Government. In view of the likely unsettling effects of further dearness allowance payments on the economy, it was considered necessary to review

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these arrangements Subsequently, in consultation with the Government employees, it was decided to sanction instalments which fell due on the basis of the average price index upto 272 It was also agreed that arrears on this account upto December 1974, payable in cash, would be deposited in the provident fund accounts for a short period. I must express my gratitude to the employees for their understanding and cooperation in meeting the present difficult situation This has enabled us to restrict the draft on the Budget on account of six instalments of dearness allowance to about Rs 230 crores in the current year This is still Rs 110 crores more than the provision of Rs 120 crores made in the Budget.

4 4 Defence expenditure for the current year will be Rs 2157 crores as against Rs 1915 crores in the original Budget Apart from a liability of out Rs 95 crores on account of dearness allowance, the increase is mainly due to revision of pay scales, rise in prices of petroleum products and the higher cost of provisions and transport

4 5 Another reason for increase in the deficit has been the drought and floods with which many parts of the country have been affected As Honourable Members are aware, Central assistance for drought and floods is being made available now only by way of advance release of Plan assistance, or assistance under the Drought Prone Areas Programme, Tribal Development Plans etc, so that plan priorities are not disturbed or distorted and that productive and durable assets are created through this assistance Such advance assistance will be adjusted against the normal Plan assistance due to the States in the ensuing years. In accordance with this policy, advance Plan assistance of Rs 55 crores has been allocated to the States for drought and flood relief measures in the current financial year Apart from this, additional assistance has been made available to the States concerned under the Brahmaputra Foold Control Works and Drought Prone Areas Programme also. With these and certain other inescapable commitments towards the States, including release of loans against small savings collections in 1973-74, the additional assistance to the States will amount to Rs. 161 crores

4 6 Other causes for the higher deficit relate to public sector enterprises, fertilizer imports and additional spend- about Rs 95 crores on account of dearing on core sector projects, A few of the enterprises did not have an adequate surplus to repay loans taken from Government. It, therefore, became necessary to provide additional assistance of Rs 126 crores to a number of undertakings mainly because of increases in wages and dearness allowance and higher cost of fuel which had not been foreseen in the Budget

4 7 The Budget for 1974-75 did not envisage any net outgo on fertilizer transactions The issue price from the pool was raised only from June 1974 Subsequently, in order to meet the urgent demand for fertilizers, an additional quantity of nearly 1 million tonnes had to be imported at considerably higher international prices There is usually a time lag of about four months between the payment for purchases abroad and the cash recovery from State Governments of the cost of fertilizers issued to them Because of this time lag, large fertilizer imports have been paid for by the Central Government, but their cost will not have been recovered from the States by the end of this year. The Central Budget, therefore, has to bear this burden As of now, the estimate of cash outgo on account of fertilizer transactions is about Rs 290 crores

4 8 As the House is aware, a series of economy exercises were effected in August 1974, locating considerable savings in expenditure , However, additional allocations of Rs 190 crores had to be made for Plan schemes in the core sectors like fertilizers, power, coal, petroleum, steel, ports and paper to

maintain their schedules, and provide for escalation in costs. Economies anticipated in other sectors could not be realised in full due to steep rise in costs. As a result, the net expenditure on Central Plan will go up by Rs. 74 crores.

4.9 All these adverse factors would have raised budgetary deficit to a very high level, but for the fact that the positoin has been retrieved to a large extent by the buoyancy in tax recipts.

4.10. Receipts from Customs are expected to yield Rs. 1300 crores against the Budget estimates of Rs. 936 crores —the improvement being mainly on account of larger import of fertilizers, iron and steel, and a large increase in the prices of items like fertilizers, machinery and equipment.

4.11 Income and Corporation Taxes are now expected to yield Rs. 1460 crores as against the original Budget estimate of Rs. 1370 crores.

4.12 There is not likely to be any appreciable increase in the collection of Union Excise duties over the Budget estimate, as adjusted by levies imposed in the Second Finance Act, 1974.

4.13 The strategy of concentration on higher income groups and a general tightening of the tax machinery in all branches has yielded good results. I would like to commend the devotion to duty and the zeal shown by the officers and staff of the revenue collecting agencies.

4.14 External receipts on account of loans, shows an increase of nearly 43 crores mainly on account of larger receipts against debt relief from the members of the India Consortium, and larger non-project loans from IDA. Grants from external sources in the revised estimates in terms of actual receipts show an increase of about Rs. 60 crores mainly on account of assistance which India has received from EEC and the UN Fund for Emergency Relief for countries most seriously affected by the oil crisis, and additional assistance from some other countries.

4.15. Even at the risk of rendering the supply position in the domestic market a little difficult, the Government took the hard decision of allowing the export of nearly half a million tonnes of sugar. While improving our balance of payments position, this has also benefited the Budget to the extent of Rs. 125 crores by way of profits.

4.15 Even at the risk of rendering provements, the year may end with a deficit of Rs. 625 crores. However, nearly Rs. 330 crores of this is on account of payments for stocks on hand of imported food and fertilizers, which will soon be recovered. As both these commodities have been purchased abroad, by drawing down our foreign exchange reserves, there is no resultant increase in money supply and the deficit to the extent of Rs. 330 crores is, therefore, non-inflationary in character.

Budget Estimates 1975-76

5.1 In the context of continuing shortages in the economy, and the impact of the price rise, framing the budget for the next year has not been an easy task. While developmental requirements must receive the highest priorit, the draft on the budget for essential non-Plan requirements like Defence, the food subsidy, and the maintenance of social services cannot be ignored, and are substantial. I have endeavoured to balance two paramount but somewhat conflicting needs in this Budget—the short-term, need to keep in check inflationary pressures, and the equally important requirement to sustain the tempo of development, which, in the ultimate analysis, is the real solution to the problem of inflation. I am only too well aware that any slackening of our development effort will compound our problem in the future.

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5.2 The projections of receipts for next year at the existing rates of taxation take into account the satisfactory trends witnessed in the current year. Income and Corporation Taxes are expected to yield Rs. 1570 crores and Union Excise duties Rs. 3500 crores. Receipts from Interest tax are expected to be Rs. 60 crores. Customs receipts will, however, be less by Rs. 50 crores next year because of lower imports of steel, and the bunching of fertiliser imports towards the end of the current year.

5.3 The Budget also assumes a credit of Rs. 125 crores towards profits on export of sugar on the assumption that exports next year will at least be of the same order as this year.

5.4 Receipts from external loans are estimated at the same level as this year's revised estimates. The steep rise in the prices of petroleum products has greatly strained our balance of payments. The position would have been worse but for generous gestures by Iran, Iraq and Abu Dhabi. We hope to secure oil credits from these countries which will provide a support of Rs. 230 crores to the Budget during 1975-76.

5.5 In view of the pressing need to save maximum resources for the Plan, utmost care has been taken to contain non-Plan expenditure. But we have to provide for minimum needs in certain areas which are important for security, the maintenance of development work, and for safeguarding the interests of the weaker sections of society. Apart from debt servicing and other obligatory items of expenditure next year, Defence expenditure would be Rs. 2274 crores as against Rs. 2157 crores in the current year. Food subsidy for 1975-76 is estimated at Rs. 295 crores. As the performance of public sector undertakings is expected to improve, non-Plan assistance to these undertakings will be less next year by Rs. 78 crores than the provision in the current year of Rs. 217 crores. The outgo on fertiliser transactions next year is estimated at Rs. 140 crores.

5.6 The entire question of dearness allowance increases to Central Government employees is to be discussed with their representatives in the next few weeks. It is now widely recognised that evolving effective measures for remedying the causes of inflation, though unpleasant and hard, should be preferred to frequent adjustment of prices, incomes and wages, which greatly hampers the process of planned growth. In a country where there is considerable unemployment and underemployment, an excessive preoccupation with the current consumption of those who are fully employed erodes investible resources and seriously affects the pace at which new employment opportunities can be created to alleviate the sufferings of those who are unemployed. Additionally an increase in monetary rewards, not justified by an increase in the country's productive capacity, accentuates inflationary pressures in the economy; this may also threaten the security currently enjoyed by those who are fully employed. While I am, therefore, aware of the hardship caused to Government employees by price rises, I earnestly hope that in our forthcoming discussions the dearness allowance question will be considered in this larger perspective.

5.7 After a careful and detailed sectoral review of the Plan requirements for next year, it was felt that the allocation in the Central Budget for the Central, State and Union Territory Plans should be at least Rs. 3612 crores, if our long-term objectives and urgent priorities are to be adequately fulfilled. This budgetary support of Rs. 3612 crores includes Rs. 1054 crores for States and Union Territories Plans, including the hill and tribal areas sub-Plans, the requirements of the North-Eastern Council and assistance for power schemes channelled through the Rural Electrification Corporation. It also includes Rs. 100 crores of special advance Plan assistance to certain States which may have gaps in resources on the basis of Central assistance at the current year's level, to ensure adequate investment in import-

ant projects in the core sectors of irrigation and power. Budgetary support for the Central Plan will be Rs. 2558 crores. The total Central Plan outlay next year inclusive of extra budgetary resources will be Rs. 3154 crores. The States and Union Territories Plans will be of the order of Rs. 2806 crores Thus, the total Plan size for 1975-76 will be Rs. 5960 crores which in financial terms represents an increase of 23 per cent over the 1974-75 Plan of Rs. 4844 crores.

5.8 Budgetary provision for the Central Plan of Rs 2558 crores represents a step up of Rs 429 crores over the revised estimate of Rs. 2129 crores in the current year. I am conscious that a more substantial step up in the Plan investment to provide for achievements of draft Fifth Plan targets in all sectors would have been desirable from the long-term perspective of the economy. But we cannot forget that large scale deficit financing leading to further price increases will substantially erode the real content of the Plan and cause more damage to the programme of planned development We have, therefore, as I stressed earlier, adopted a selective approach and given priority to key sectors of the economy like agriculture, power, fertilizers, coal, petroleum, essential industries like cement, paper and shipbuilding, and transport over all other sectors, and even over long gestation projects in the core Sectors.

5.9 As agriculture is the backbone of the economy, special care has been taken to set up the investment in this Sector substantially—from Rs 193 crores in the Revised Estimates to Rs. 270 crores. The allocations include Rs. 50 crores for the Agricultural Refinance Corporation, Rs. 25 crores for drought prone areas programme, Rs. 22 crores to small farmers and marginal farmers development, Rs. 16 crores for command area• development, Rs. 23 crores for agricultural research and education, and Rs. 43 crores for the cooperative sector, including the cooperative fertiliser factories.

5.10 There will be an increase of Rs. 84 crores in investment in fertiliser production over the current year's level of Rs. 192 crores. Adequate funds are being provided for Nangal Expansion, Ramagundam, Talcher, Haldia and Cochin Phase-II, and for several new plants such as Trombay IV and V, Bhatinda and Panipat and a new project at Sindri.

5.11 The Budget support for the power sector including support for Rural Electrification Corporation will be Rs. 140 crores in the next year. Substantial provision has been made for continuing projects like Badarpur extension, Loktak, Baira Siul and Inter-State Transmission Lines. Further, there will be an aggregate provision of the order of Rs. 900 crores in the State Plans for power.

5 12 Budget provision for coal represents a substantial increase from Rs. 141 crores in this year's Revised Budget to Rs. 229 crores. Coal Mines Authority and Bharat Coking Coal Ltd., have been allowed larger provisions to enable the achievement of the target of production of 135 million tonnes by the end of the Fifth Plan. Provision has also been made for stabilising the production of lignite at Neyveli at 4.5 million tonnes.

5.13 Budget provision for petroleum and petro-chemicals has also been greatly stepped up to Rs. 170 crores in 1975-76 as against Rs. 60 crores in 1974-75 Revised Estimates. There will be a considerable increase in the provision for the Oil and Natural Gas Commission, Oil India and Indian Petro-Chemicals Corporation. As the House is aware, a cess was levied in the current year for the development of the oil industry, and the Oil Industry Development Board was set up to coordinate the various development projects to be undertaken for oil development. A sum of Rs. 61 crores from this cess over and above the budgetary support will accrue to this Board next year to be used for oil development.

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5.14 The provisions in the steel sector, particularly for Bokaro and Bhilai expansion, have been fixed taking into account the likely demand for steel. Full provision has been made for completion of the Korba Aluminium Project

5.15 Next year's Plan makes adequate provision for continuing projects for cement production and also for 3 new projects The Paper Mill in Nagaland is being given high priority Modernisation of textile mills taken over by the National Textile Corporation has also received special attention

5.16 In the Transport and Communications sector, all continuing major ports, shipping, ship-building and aviation projects have been adequately catered for

5.17 Social Services have not been neglected Increased provision over the revised estimates for this year has been allowed for village and small scale industries, education, health, family planning, housing and urban development, and welfare of backward classes.

5.18 As Honourable Members are aware, two schemes, one for compulsory deposit of increases in wages, and 50 per cent of the additional dearness allowance, and another for compulsory deposit of a percentage of the income of income-tax payers, were introduced in July last These were necessary to counter the serious imbalances created in the economy by the large increases in money supply. We are happy that these measures, along with other steps taken to curb inflation, have had a stabilising effect on prices While it is the continuing concern of the Government to curb inflationary trends, it is equally important that development efforts should be sustained and adequate resources provided for investment in the vital areas of the economy In view of this, it has been decided to take credit for a borrowing of about Rs. 100 crores from the Reserve Bank against the likely addition to blocked deposits which takes place in 1975-76.

5.19 Taking credit for this amount, the budgetary support of Rs. 3612 crores for the 1975-76 Plan will entail a resource gap of Rs. 464 crores Honourable Members will be keen to know how I propose to deal with this deficit.

DIRECT TAXES

1.1 Sir, let me present first my proposals in the field of direct taxes Honurable Members will recall that the rates of income-tax on personal incomes were reduced last year on the basis of a recommendation of the Direct Taxes Enquiry Committee It was expected that this would lead to better tax compliance I think the policy adopted last year should be given a fair trial. I accordingly, propose not to make any change in the rates of income-tax in the case of non-corporate taxpayers

1.2 At present, the basic rate of income-tax in the case of closely-held industrial companies stands at 55 per cent on the first Rs 2 lakhs of taxable income, and 50 per cent on the balance On the analogy of the rate structure applicable to the widely-held companies, I propose to modify this provision so as to apply the higher rate of 60 per cent on the entire income of such closely-held companies in cases where the taxable income exceeds Rs 2 lakhs, subject, however, to the usual marginal relief. This measure will yield Rs. 4 crores in a full year and Rs 3 crores in 1975-76 There will be no change in the rates of income-tax in the case of other categories of companies

1.3 The levy of a tax under the Interest-tax Act, 1974 on interest received by scheduled banks has had the effect of increasing, on an average, the cost of borrowings from scheduled banks by about one per cent. The levy of this tax has, therefore, made the acceptance of deposits by non-banking non-financial companies

from the public all the more attractive, specially in the context of the selective credit control measures adopted by the Reserve Bank. Some corrective by way of dis-incentive to borrowings from the public by these companies seems to be indicated so that credit planning according to the priorities laid down by the Government is not defeated. I propose, therefore, that in computing the taxable income of non-banking non-financial companies, only 85 per cent of the interest paid by them on public deposits will be allowed as expenditure for tax purposes. This measure will yield Rs. 10 crores in a full year and Rs. 7.5 crores in 1975-76.

1.4 The tax holiday concession is at present available in respect of industrial undertakings that go into production before 1st April, 1976 and ships which are brought into use before that date. I propose to extend the concession in these cases for a further period of five years. This concession is at present available to approved hotels irrespective of the date by which they may start functioning. I find no justification for giving preferential treatment to approved hotels over industrial undertakings and ships. I therefore propose to restrict the concession in the case of approved hotels to cases where these hotels start functioning before 1st April, 1981.

1.5 At present, dividends declared by companies out of their tax holiday profits are exempt in the hands of shareholders. Experience has shown that this provision is difficult to administer, since any change in the quantum of income of the company distributing dividends requires modification of the assessments of all its shareholders, who may be residing in different parts of the country. I, therefore, propose to withdraw the exemption in respect of dividends paid by companies out of their tax holiday profits attributable to the extended period. Shareholders will, however, not stand to lose, since I propose to increase the quantum of tax holiday profits in the case of companies from 6 per cent to 7.5 per cent per annum of the capital employed in new industrial undertakings, ships or hotels.

1.6. In order to channelise corporate savings into high priority industries, I propose to exempt from income-tax, inter-corporate dividends derived by domestic companies from new companies engaged in the manufacture of fertilisers, pesticides, paper and cement.

1.7. As Honourable Members are aware initial depreciation allowance at the rate of 20 per cent of the cost of machinery and plant is allowed in respect of the priority industries listed in the Ninth Schedule to the Income-tax Act. Having regard to the importance of pesticides to our economy for increasing agricultural production, I propose to extend the benefit of initial depreciation allowance to the pesticides industry also.

1.8. As another measure for promoting investment in desired areas, I propose to exempt from wealth-tax for a period of five years investment in equity shares of new companies engaged in priority industries listed in the Ninth Schedule to the Income-tax Act.

1.9. Under a provision made in the Finance Act, 1974, development rebate is admissible in respect of ships which were ordered before 1st December, 1973 if such ships are acquired before 1st June 1975. In view of the time lag involved in acquiring ships, I propose to extend this concession to ships which will be acquired before 1st January, 1977, provided orders for their acquisition were placed before 1st December, 1973.

1.10 Under the existing law, a deduction equal to 20 per cent of the profits and gains derived from the business of publication of books is

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allowed in computing taxable income. This concession is available for a period of five years ending with the assessment year 1975-76 I propose to extend this concession for another five years.

1.11 Our development efforts can be sustained only through promotion of savings. I have, therefore, decided to liberalise the concession currently available under the Income-tax Act in respect of long-term savings through provident funds, life insurance, etc. so as to allow a deduction in respect of 100 per cent of the first Rs 4,000 of the qualifying savings plus 50 per cent of the next Rs 6,000 of such savings plus 40 per cent of the balance This measure will result in a revenue loss of Rs 8 crores in a full year and Rs 6 crores in 1975-76

1 12 Frequent withdrawals are made from Governmesant Provident Funds I have, therefore, decided to introduce an incentive bonus scheme to benefit those Government employees who do not withdraw any amount from their provident fund accounts during the year The bonus will be allowed on the subscriptions made during that year and will be calculated at the rate of 3 per cent for employees drawing pay up to Rs. 500 per month and 1 per cent for employees drawing pay above Rs 500 per month

1 13 Honourable Members will notice that a package of measures has been proposed for improving the investment climate, namely, extension of tax holiday, exemption of inter-corporate dividends derived from new companies engaged in high priority industries, exemption from wealth-tax of equity shares in new companies engaged in certain priority industries, and incentives to greater savings Despite the severe constraint of resources, I have thought it advisable to propose these fiscal incentives as, in my view, investment in priority sectors has to be encouraged now if we are not to compound our difficulties in the future. These fiscal measures will reinforce the other measures that the Government have taken for encouraging greater production in certain vital sectors.

1 14 In order to give some relief to middle class families who have to bear the burden of providing higher education to their children, I propose to allow a deduction in respect of expenses incurred by individuals in this regard In respect of children attending degree or post-graduate courses in medicine, engineering or other technical subjects, the amount of deduction will be Rs 1,000 per child and in respect of children attending degree or post-graduate courses in other subjects or diploma courses in medicine, engineering or other technical subjects, the amount of deduction will be Rs 500 per child The new concession will be available in the case of individuals whose gross total income does not exceed Rs 12 000 per annum and restricted to two children in any case This measure will result in a reduction of revenue of Rs 7 crores in a full year and a little over Rs 4 crores in 1975-76

1 15 At present, income from livestock breeding and poultry and dairy farming is exempt from income-tax This exemption is prone to abuse by showing income which would otherwise be chargeable to tax as exempt income I, accordingly propose to restrict the exemption to Rs 10,000 in a year This will mean an additional revenue of Rs 2 crores in a full year and Rs. 1 2 crores in the financial year 1975-76

1 16 I propose to exempt from income-tax retrenchment compensation paid to workmen under the Industrial Disputes Act or other similar laws up to a maximum of Rs. 20,000

1.17 There are at present certain income-tax exemption limits applying to salaried assessees relating to house rent allowance and leave travel concessions. These are being liberalised. Indian technicians employed abroad are also proposed to be given some tax relief.

1.18 In order to simplify and rationalise the procedure for assessment of foreign shipping enterprises, the accounts of which are not easily accessible, I propose to provide that the income of such enterprises shall be taken at 7.5 per cent of the aggregate of their gross earnings from traffic originating in India and other earnings received in India. This change is also in line with the practice in some other countries.

1.19 At present, contributions made to an approved gratuity fund are allowed as deduction in computing the taxable income. A doubt has been expressed that, under the relevant provisions as presently worded, provisions made in the books of account by taxpayers would also qualify for deduction. This is clearly not the intention Since the employer continues to have control over these funds I propose to provide specifically that no deduction for tax purposes will be allowed in respect of such provisions made to provide for future gratuities.

1.20 With a view to curtailing ostentatious expenditure in business and professions, I propose to deny depreciation in respect of imported cars which are acquired after 28th February, 1975. Simultaneously, I propose to allow full depreciation in respect of indigenous cars irrespective of their cost.

1.21 At present, trees standing on agricultural land do not qualify for exemption from wealth-tax. In order to encourage planting and conservation of trees, I propose to exempt the value of trees standing on agricultural land from wealth-tax except in respect of orchards and plantations.

1.22 Under Corporation Tax, the full year effect of the proposals is Rs. 14.0 crores and the yield for 1975-76 will be Rs. 10.5 crores. As a result of the concessions given, there will be a net reduction of Rs. 1.0 crores under Income-tax in full year and Rs. 0.9 crores in 1975-76. The impact of this reduction in 1975-76 on the Central revenues will be Rs. 2.26 crores.

II

Indirect Taxes

2.1 I now come to my proposals relating to Indirect Taxes.

2.2 While I have had to impose levies covering a wide range of commodities, I have done my best to reduce to the minimum the burden that would fall on the more vulnerable sections of the community. It has also been my endeavour to select items which largely figure in the pattern of consumption of the more affluent sections of society. I have also attempted to select those commodities which are significant in our export efforts so that consumption is thereby reduced in the home market releasing an export surplus which would earn us valuable foreign exchange.

Excise Duties

2.3 The recent spurt in the price of sugar in the international market provides us an excellent opportunity to increase our exports of this commodity, even at some sacrifice. With a view to reducing consumption of sugar for less essential uses and releasing more quantities for export, I propose that the Basic excise duty on free sale sugar may be stepped up from 30 per cent *ad valorem* to 37½ per cent *ad valorem* I do not propose to make any change in the present effective rate of duty on levy sugar, which now accounts for 65 per cent of the total internal releases, so that the average citizen is assured of his quota of sugar at a reasonable price. The proposed increase in duty on free sale sugar will yield an additional revenue of Rs. 30.25 crores.

2.4 Khandsari sugar is at present chargeable to duty of 17.5 per cent *ad valorem*. However, there is a scheme of compounded levy under which Khandsari sugar units opting for the

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scheme pay a fixed sum by way of duty for every week of working, depending on the number and size of the centrifuges used by them. As the compounded levy results in a disproportionately low duty incidence on these Khandsari units in comparison with the incidence on regular vacuum pan sugar mills, I propose to withdraw the compounded levy scheme. All the Khandsari units will, hereafter, work under the normal Central Excise procedure and pay duty at 17.5 per cent *ad valorem*. From this proposal I expect to raise an additional revenue of Rs. 19.60 crores.

2.5 The duty on tea produced in the various Zones has remained unchanged for the last five years. Tea prices both in the Indian and London auctions have substantially risen during this period. I, therefore, propose to increase the existing basic duty on loose tea produced in Zones I, II, IV and V by 10 to 15 paise per kg Tea of Zone III at present bears the highest rate of duty and there is need for giving some relief because of the low yield and the high cost of cultivation. As more than 90 per cent of the Tea produced in this Zone is exported and since the price increases in respect of these teas have been the least I propose to reduce the present basic duty for this Zone by 10 paise per kg. Apart from bringing in revenue, the proposed increase in duty on Teas of Zones I, II, IV and V will help in making more tea available for export With a view to ensure that the increase in excise duty on tea does not hit exports, I also propose to raise the ceiling limit on the quantum of rebate admissible for exported teas under the present scheme from the existing level of 75 paise per kilogram to 85 paise per kilogram. The net effect of the proposed changes will be an additional revenue of Rs. 3.40 crores.

2.6 Cement is another potential foreign exchange earner, and for similar reasons, I propose to step up the basic duty on cement from 30 per cent *ad valorem* to 35 per cent *ad valorem*. This proposal will yield an additional revenue of Rs. 15.95 crores.

2.7 The import of crude petroleum and petroleum products continues to demand a large share of the total available foreign exchange resources. I feel that so long as energy shortages persist, there is a case for making petroleum products more expensive so as to promote greater economy and efficiency in their use. Against this background, the duty on motor spirit is proposed to be raised by 10 paise per litre—not a large sum. I also propose to increase the duty on furnace oil to induce replacement of oil-fired equipment by coal-fired equipment. Such a duty will be an added reason to replace obsolescent equipment with modern efficient units, even in installations which continue to use oil. However, taking into consideration its use by various industries, the increase proposed is modest—a little less than 3 paise per litre Low Sulphur Heavy Stock used for electricity generation will, however, continue to be exempt as at present These levies on petroleum products will together yield an additional revenue of Rs. 26 00 crores.

2 8 There has been a fall in the proportion of aluminium of electrical conductor grade produced in recent years compared to the commercial grade. Since it is of paramount importance that there should be no shortage of aluminium of electrical conductor grade required by various power systems, I propose to increase by Rs. 2000 per tonne the excise duty on commercial grade aluminium there-by providing encouragement for greater production of electrical conductor grade aluminium. The proposed increase in duty on aluminium will yield an additional revenue of Rs. 15.00 crores.

2.9 I shall now turn to a product on which all Finance Ministers have had to rely heavily namely, tobacco and its products. The Tobacco Excise Tariff Committee has recommended a uniform tariff rate for all forms of non-flue-cured unmanufactured tobacco, other than that used for the manufacture of

cigarettes, supplemented by a low rate of excise duty on certain specified tobacco products namely, biris and chewing tobacco sold under a brand name, and snuff. Following the Committee's recommendation, I propose to levy a uniform total excise duty of Rs. 3 per kilogram on non-flue-cured unmanufactured tobacco other than that used for the manufacture of cigarettes. This will mean a reduction of Rs. 1.60 per kg., in the total duty for biri tobacco, and of Rs. 0.25 per kg. for hookah, chewing and snuff tobacco. However, in the case of stalks I propose to fix the duty at Rs. 2 per kg, against the present rate of Re. 0.65 per kg. There is already a duty of Rs. 3.60 per thousand on biris manufactured with the aid of machines. I now propose to levy a duty of Re. 1 per thousand on handmade biris also, of which 80 paise will be in the form of Basic duty and 20 paise in the form of Additional excise duty in lieu of sales-tax. For the sake of administrative convenience, this levy will be restricted to biris sold under brand names. The duty on machine made biris will be correspondingly stepped up from Rs. 3.60 to Rs. 4.60 per thousand. It will be noticed that those smokers who are not unduly discriminating and are content with unbranded handmade biris which bear no excise duty should benefit from the *reduction* in duty on biri tobacco. I also propose to levy a duty of 10 per cent *ad valorem* on chewing tobacco sold under brand names and on snuff. An exemption to the extent of 5 per cent will, however, be provided in respect of chewing tobacco whose value does not exceed Rs. 10 per kg. If the smokers of branded biris are called upon to pay more, equity requires that those smoking pipes and cigarettes should not be denied the privilege of helping the developmental effort. Accordingly, I propose to raise the effective duty on cigarettes also. The effective Basic duty on cigarettes is now 85 per cent *ad valorem*, if the value of the cigarettes does not exceed Rs. 10 per thousand, and increases by 1 per cent *ad valorem* for every additional rupee or part thereof in excess of Rs. 10 per thousand. This duty will be increased by 5 per cent *ad valorem* at all price levels except that the ceiling level of Basic duty will continue to remain at 250 per cent *ad valorem*. Similarly I also propose to raise the Basic effective duty on smoking mixtures by 5 per cent *ad valorem* On account of the rationalisation of duty on unmanufactured tobacco there will be a reduction of revenue to the extent of Rs. 8.25 crores. But the net additional revenue from tobacco and tobacco products will be Rs. 26.88 crores.

2.10 Both for raising revenues and as a measure of rationalisation I propose to readjust the rates of duty on rayon and synthetic yarns (including blended yarns), and on rayon or artificial silk fabrics. I propose to shift partially the burden of excise duty on artsilk fabrics from the fabric stage to the yarn stage, since collection of revenue at the yarn stage is administratively easier and provides fewer loopholes The additional excise duty levied on artsilk fabrics in lieu of sales-tax, and the handloom cess, will coninue to be levied at the fabric stage; but there will be no basic excise duty on art silk fabrics except in the case of those fabrics whose value exceeds Rs. 15 per sq. metre This will result in a loss of revenue of Rs. 22 crores; to neutralise this loss, and to earn additional revenue, I propose to increase the duty on rayon and synthetic yarns suitably. I also propose to levy a new duty of Rs. 20 per kg., on textured yarns in addition to the duty leviable on base yarn used in their manufacture, and to withdraw the existing concessions on knitted fabrics. No increase is proposed on tyre cord yarn and on glass yarn which go into industrial production, and on wastes.

2.11 I, propose to raise the existing duties on superfine and fine cotton yarns which are used by the composite mills, by powerlooms, and in the hosiery and sewing thread sectors of the cotton textile industry. As a sequel to

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increase in the rates of duty on cotton yarn I also propose to raise suitably the rates of compounded levy paid by composite mills on cotton yarn and mixed yarn used by them. In order that the increases in yarn duty may not hit the handlooms, the duty on yarn cleared from the mills in the form of straight reel hanks used mostly by the handloom sector is being kept unchanged.

2.12 In 1973 Government appointed a High Powered Study Team to examine in depth the problems of the Handloom Industry This body has observed in its report that powerlooms are in a position to undercut handlooms in their legitimate market and has recommended that the compounded levy on powerlooms may be fixed at Rs 300 per powerloom per annum irrespective of the number of looms in a unit The matter has been carefully examined by Government and I now propose to increase the compounded levy on powerlooms Rs 200 per loom per annum on all those units with less than 50 powerlooms each

2.13 There are reports that some mills take undue advantage of existing concessional rates of duty prescribed for clearance of fents and rags With a view to eliminate this abuse, a two-tier duty structure is proposed to be introduced for cotton fents and rags, the lower level applying to fents and rags cleared up to a prescribed limit, and the higher level, to clearances above that limit The various proposals on textiles will yield an additional revenue of Rs 49 10 crores

2.14 Although air conditioners already carry a duty of 75 per cent *ad valorem*, I propose to raise this level to 100 per cent *ad valorem*. I similarly propose to raise the duty on parts of refrigerating and air conditioning plants and machinery from 100 per cent *ad valorem* to 125 per cent *ad valorem* Duty on refrigerators, and refrigerating machinery and appliances, as well as air coolers, is however being kept unchanged. Parts of refrigerating machinery for cold storage plants, hospitals and factories also will continue to pay the present concessional duty I further propose to raise the Basic duty on Cosmetics and Toilet preparations from the present rate of 30 per cent *ad valorem* to 40 per cent *ad valorem*. Since this item also carries an Auxiliary duty of 50 per cent of the effective Basic duty there will be a total increase of 15 per cent *ad valorem* in the duty Shampoos will also henceforth pay a Basic duty of 40 per cent.

2.15 Those blessed by fortune to have enough cash and other valuables with them to necessitate the purchase of safes and strong boxes cannot legitimately complain against my next proposal which is to raise the duty on safes, strong boxes and similar articles from 10 per cent *ad valorem* to 20 per cent *ad valorem* The combined revenue effect of my proposals for increase in duty on air conditioners and parts, cosmetic and toilet requisites and safes strong boxes and the like will be Rs 7 65 crores.

2.16 As a revenue measure, I propose to increase by 5 per cent the effective duties on synthetic organic dye-stuffs and synthetic organic derivatives, chinaware and porcelainware, and glass and glassware, except laboratory glassware I also propose to make some changes in the existing basis for grant of duty concession to small scale manufacturers of chinaware and porcelainware, but these changes will be made effective only from 1st April, 1975 My proposals regarding synthetic organic dye-stuffs, glass and glassware and chinaware and porcelainware will yield an additional revenue of Rs. 10 20 crores.

2.17 I propose to increase the duty on packing and wrapping paper, pulp boards and duplex and triplex boards from 80 paise per kilogram to Rs. 1.20 per kilogram This will yield an additional revenue of Rs. 9.80 crores.

2.18 I propose to increase the present effective duty on electric wires and cables, excluding those used for telecommunication and high voltage transmission lines, by varying rates ranging between 2½ and 5 per cent *ad valorem*. I also propose to raise the duty on electric fans marginally, but there will be no increase in the duty on industrial fans. The proposed increases in the duty on electric wires and cables and fans will yield an additional revenue of Rs. 4.30 crores.

2.19 Rationalisation of the tariff entries and exemption notifications relating to gramophones, record players, tape-recorders, permanent magnets, vehicular tyres, components of motor vehicles, wool tops, concessions for the use of rice bran oil and minor oils in the manufacture of soap, and of cotton-seed oil in the manufacture of vegetable products has been proposed. I also propose to rationalise the tariff for exposed cinematograph films, and to increase the differential between coloured films on the one hand and black and white films on the other. All these measures will yield an additional revenue of Rs. 6.84 crores.

2.20 To remove doubts about the meaning of the expression "skelp", I propose to add an explanation at the end of Tariff Item 26AA and to validate past levies, assessments and collections of duty in accordance with this explanation.

2.21 As there is a substantial difference between the imported cost of graphite electrodes and anodes and the indigenous cost of production, I propose to levy an excise duty of 15 per cent *ad valorem* on graphite electrodes and anodes. This will yield a revenue of Rs. 1.50 crores.

2.22 I now come to new concept in Central Excise taxation. Hitherto the Central Excise tariff covered only certain specified goods. With a view to widen the coverage of taxable goods and to provide a more dependable information base for future revenue raising exercises. I propose to introduce a new item in the Central Excise Tariff Schedule which, with a few exceptions, will cover all goods produced for sale or other commercial purpose not elsewhere specified in the Schedule. Goods covered under this new item will be chargeable to a nominal duty at the rate of 1 per cent *ad valorem*. While the tariff item will cover the production of all factories as defined in the Factories Act, 1948, I propose for the sake of administrative convenience to exempt the production of those factories which employ not more than 49 workers in the case of power-operated factories, and not more than 99 workers in the case of non-power operated factories. To further simplify the levy. I also propose to exempt from duty intermediate products and component parts falling within this item produced in a factory and consumed within the same factory for the manufacture of finished goods. No countervailing duty will be levied on imported goods corresponding to this new item. This levy is admittedly an experimental measure. I expect that this measure will yield a revenue of Rs. 24.00 crores per annum.

2.23 The auxiliary duty of excise levied under the Finance Act of 1974 valid up to 31st of March, 1975 is being continued up to 30th of June 1976. Mainly on account of the increase in the basic duty proposed on some items there will be additional accrual of auxiliary duty also estimated at Rs. 5 34 crores. This amount, however, has been included in the Revenue Estimates under the respective items already mentioned.

2.24. The total effect of all the above proposals relating to Central Excise will be an additional revenue of

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Rs. 250.47 crores. Of this the Union Government's share will be Rs. 194,81 crores and the States' share Rs. 55.66 crores.

Import Duties

2.25 I do not propose any revision of the Customs Tariff rates. But considering the trend of international prices of non-ferrous metals I propose to increase the countervailing duty on copper by Rs. 3500 per tonne and on zinc by Rs. 2125 per tonne. These changes will yield an additional revenue of Rs. 24 50 crores.

2 26 The increase in Central Excise duty on certain items which I have proposed earlier will lead to a consequential increase of Rs. 9.55 crores in the collection of countervailing duty on imports.

2.27 The auxiliary duties of Customs levied under the Finance Act of 1974 is being continued up to 30th of June, 1976 and the effective rates of this levy remain unchanged

2.28 The various proposals which I have made will yield an increase of Rs.34.05 crores in Customs revenue.

2.29 The yield for 1975-76 for the Centre, taking Union Excise Duties and Customs Duties together will be Rs 228.86 crores.

Central Sales Tax

2.30 Before I conclude I should mention a proposal which I am making to raise resources for the benefit of the States and Union Territories. The rate of Central Sales-tax on inter-State sales of goods is being raised from 3 per cent to 4 per cent with a corresponding change in the ceiling prescribed in respect of local Sales-tax on goods declared to be of special importance in inter-State trade or commerce. As a result of this proposal being made effective from 1st July, 1975, the additional collections for those Union Territories whose revenues form part of the Consolidated Fund of India will amount to Rs 1 75 crores in the year 1975-76. The States will benefit to the extent of Rs. 38.25 crores in 1975-76 through this measure.

III

3 1 To sum up, so far as the Union Budget is concerned, the various proposals imply, for 1975-76, additional revenue aggregating Rs 239 crores. The budgetary gap of Rs. 464 crores, as indicated earlier, will accordingly be scaled down to Rs. 225 crores.

3.2 The budgetary deficit has thus been kept at a modest level. With the improving prospects for the availability of food, power and fuel, this order of deficit is not likely to accentuate inflationary pressures in the economy

3.3 My major concern in the formulation of this budget has been to stimulate production by stepping up the pace of investment in areas crucial to the healthy growth of the economy. The effectiveness of the measures proposed in achieving the goals that we have set for ourselves will, however, depend in large measure on the willingness of the different sections of the community to contribute their utmost to the common endeavour.

3.4 Let us all then, in Government, the Legislature and outside, rededicate ourselves to this national cause at this juncture and conduct ourselves with that discipline and determination which the occasion demands.

18.15 hrs.

FINANCE BILL, 1975*

THE MINISTER OF FINANCE (SHRI C. SUBRAMANIAM): I beg to move for leave to introduce a Bill to give effect to the financial proposals of the Central Government for the financial year 1975-76.

MR. SPEAKER: The question is:

"That leave be granted to introduce a Bill to give effect to the financial proposals of the Central Government for the financial year 1975-76."

The motion was adopted.

SHRI C. SUBRAMANIAM: I introduce** the Bill.

18.16 hrs.

The Lok Sabha then adjourned till Eleven of the Clock on Monday, March 3, 1975/Phalguna 12, 1896 (Saka).

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